

SENATE—Thursday, November 20, 1980

(Legislative day of Thursday, June 12, 1980)

The Senate met at 10 a.m., on the expiration of the recess and was called to order by Hon. CARL LEVIN, a Senator from the State of Michigan.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray.

Our Father God, in whose peace our restless spirits are quieted, help us in this opening moment of a new day's agenda to draw near to Thee in tranquility, in humility, and in sincerity. Weary of the fierce storms sweeping across the world and enervated by the stress and strain of the swift changing scene, we turn to the infinite calm of Thy changeless love, that we may find inner sustenance, wells of living water—truth and the peace which the world cannot give. Lift us up, take our hearts and minds, lead us, strengthen us, and endow us with gentleness, goodness, and compassion. Make us ready for the severe discipline and self-control demanded of the age in which we serve. With Thy benediction may we face the tasks before us with honest dealing, clear thinking and tender spirits, striving ever to set forward Thy kingdom.

We pray in the Name that is above every name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. MAGNUSON).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., November 20, 1980.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable CARL LEVIN, a Senator from the State of Michigan, to perform the duties of the Chair.

WARREN G. MAGNUSON,
President pro tempore.

Mr. LEVIN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the minority leader is recognized.

Mr. BAKER. Mr. President, there are two occasions I would like to call to the attention of the Senate this morning. One I find to be an extraordinarily sad occasion for me and the other a very happy one. Let me speak of the happy occasion first.

HAPPY BIRTHDAY TO THE MAJORITY LEADER

Mr. BAKER. Mr. President, I take this opportunity to join in the celebration of the distinguished majority leader's birthday today. I notice that his tie is graced by yet another fiddle, in this case a golden fiddle, which must symbolically represent the quality of his performance, which we all appreciate.

In all sincerity, Mr. President, I take this opportunity to extend our best wishes for a happy birthday and a prosperous and happy new year to my colleague, the majority leader, and my friend, the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished minority leader.

THE RETIREMENT OF SENATOR RIBICOFF

Mr. BAKER. Mr. President, on the other matter, I suggest that this day, as well, is an important day to the Senate and a sad one for me, because Mr. President, as I understand it, this is the last day on which this Chamber and this body will be graced by the presence of a man of compelling thoughtfulness, unflagging energy, unsurpassed dedication, and inspiring compassion.

This is the final day of public service on the floor of the Senate by the most distinguished senior Senator from Connecticut (Mr. RIBICOFF). ABE RIBICOFF and his wife, Casey, will leave tonight for a trip abroad to attend to duties in Europe in connection with the public affairs of this Nation and will not return, I am afraid, until the day after Congress is scheduled to adjourn sine die on December 5.

As we all know, Senator RIBICOFF is retiring from Government service at the conclusion of this Congress; a choice he made and announced many months ago, a choice that all of us regretted, and I am sure I speak for every Member on both sides of the aisle in that respect, but most of us understood. That

retirement, in any event, will be a great loss to the Senate of the United States and I believe to the Nation as a whole.

For the past 18 years, Senator RIBICOFF has stood as a beacon of decency and civility in the Senate. His voice has been a clarion of reason and benevolence for all of us so privileged to serve with him.

As the most able chairman of the Committee on Governmental Affairs for the past 6 of those years, he has worked tirelessly to improve the integrity and efficiency of the services of the Federal Government.

As we all know, prior to his service in the Senate, ABE RIBICOFF served as President Kennedy's Secretary for Health, Education, and Welfare, the first one after the creation of that Department. He was a member of the organizational cabinet of that administration which did so much to set a tone and style for this Nation for many years. He served as the most distinguished Governor of his native State of Connecticut for 6 years. It is from that service, I am sure, in part, at least, from which stems his obvious affection for his native State, his sense of gratitude to the people of Connecticut for giving him the opportunity to serve in these capacities for so many years of his life.

He served as a member of the U.S. House of Representatives for 4 years; as a jurist in Connecticut for 6 years; and as a member of Connecticut's General Assembly for 4 years. In the aggregate, a record of public service that is seldom equaled in its diversity and almost never equaled in its quality.

In all, Mr. President, ABE RIBICOFF has given his State and his Nation a remarkable 42 years of devoted service. It is a debt which can never be repaid, but one for which this country should be eternally grateful.

The nature and composition of the Senate is changing, Mr. President, and, while the partisan spirit within me delights at that change, I am, nonetheless, overwhelmed with sadness by the imminent departure of this great statesman, who sits across the aisle from me at this moment.

As we all know, personal friendships formed in this Senate transcend political affiliations. My wife, Joy, and I have had the great pleasure of sharing such a friendship with Casey and ABE RIBICOFF. And as grateful as we are to the Ribicoffs for their public service, we are all the more grateful for their friendship. We shall miss them very much and we wish them every happiness.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished minority leader yield?

Mr. BAKER. I yield to the majority leader.

Mr. ROBERT C. BYRD. Mr. President, I join with the minority leader in expressing our sorrow that Mr. RIBICOFF will be leaving the Senate.

Through the years ABE RIBICOFF has been an inspiration to me. I have leaned upon him for his counsel and his wisdom. I shall miss that counsel and sage advice now that he will be leaving.

He has served in the three branches of Government—the executive, the legislative, and the judicial. He is a man of experience and innate wisdom. He is judicious; he is considerate of others; he is even-handed and fair; and he has been an extraordinarily effective Senator.

He has served in the leadership as a chairman and as a member of the Policy Committee. He has made a fine contribution, not only to the welfare and future of his State, not only to the welfare and future of the Nation, but also to the past, present, and future of the U.S. Senate.

He is highly respected and highly regarded on both sides of this aisle which separates the two parties in the Senate. When he leaves the Senate he will leave a host of friends. I express the hope that he will not be leaving except for intervals, that as he returns to Washington from time to time he will come back to the old haunts and visit with his old friends. We will not forget him. He has left his imprint upon our lives and upon our memories.

ABE RIBICOFF's many offices and accomplishments have been cited. I need not repeat all that he has achieved, the history books will record that in ample detail. I will say that ABE is the essence of the American dream. When he ran for Governor of Connecticut there were rumors about whether a Jew should hold that position for the first time. ABE gave a famous speech called the "American Dream" saying that any American could aspire to the greatest in this land. And that he was not about to repudiate that wonderful dream.

Mr. President, ABE RIBICOFF has fulfilled the American dream. He has enriched the Senate and the Nation. He has served with dignity and distinction. Connecticut has had a special gift in this Chamber, and it has been a privilege to be associated with him.

I know of no more courageous and skilled legislator. It is hard to imagine that ABE will not be here. But his legacy will be enormous and will be with the U.S. Senate and the Nation forever.

To ABE and Casey, I know my wife Emma joins me in saying may the road rise to meet you, may the Sun always be upon your face, may the wind always be at your back, may the soft rains fall freely upon your fertile fields, and as we hope to meet again from time to time until we meet, may God keep you both in the hollow of His hand.

Mr. BAKER. Mr. President, have I time remaining?

The ACTING PRESIDENT pro tempore. The Senator has 4 minutes and 20 seconds.

Mr. ROBERT C. BYRD. How much time have I remaining?

The ACTING PRESIDENT pro tempore. The Senator has 5 minutes remaining.

Mr. BAKER. I yield to the distinguished Senator from Delaware.

Mr. ROTH. I thank my distinguished leader.

Mr. President, I have had the rare experience of serving with the distinguished Senator from Connecticut on two different committees. Senator RIBICOFF, of course, is chairman of Governmental Affairs, of which I am a member. He is also a member of the Finance Committee, as well as chairman of the Subcommittee on Trade on which I serve as the ranking minority member.

I say it has been a rare experience because I know of no one in Congress with whom it could be a greater pleasure to serve than ABE RIBICOFF.

As chairman of the Trade Subcommittee, I think he is one of two people primarily responsible for the multinational trade agreements. I give him credit for that because, as chairman of the Subcommittee on Trade, he works diligently with everybody, the Republicans as well as the Democrats. It was his leadership in this area, along with Bob Strauss in the executive branch, that I think resulted in the agreement being enacted with very little or practically no opposition in the Congress.

I would also say that he has been a most helpful person to me in my efforts to make this country a leading trading nation. We worked diligently, arduously in trying to restructure the Government to promote the export of American products. We worked very hard to get a reorganization that would make trade on the cutting edge of this Nation's efforts. I am pleased that this distinguished man has agreed that even though he is leaving the halls of the Senate, he is going to continue to play a leadership role in bringing about the necessary changes in this area.

Mr. President, I think ABE RIBICOFF has done a great service for this country, but perhaps above all and the most important, he has made us proud of being public servants. Too many people have not lived up to the qualifications, to the requirements, of providing strong moral leadership to do what is right even though sometimes it is very hard. But ABE RIBICOFF has met that measure, and I wish him and his lovely wife Casey the best in the years ahead.

Mr. BENTSEN. Will the Senator yield?

Mr. ROBERT C. BYRD. Mr. President, I yield 3 minutes to Mr. BENTSEN.

Mr. BENTSEN. I thank the majority leader.

Mr. President, my friendship with ABE RIBICOFF goes back over many years when I served with him in the House of Representatives. When I came back to the Senate, one of the people who helped

me get started again was ABE RIBICOFF, with his wise counsel, his assistance, and his encouragement.

Here is a man who has had a most distinguished career: The Governor of his State, a member of President Kennedy's Cabinet, and for the past 18 years as a U.S. Senator. He is a man who is a humanitarian. Whenever we've had a piece of legislation before us ABE would ask, "Well, is it fair? Does it really take care of the people?"

He took some very courageous stands along the way, some of them not popular at all. But ABE took them because he thought they were right.

I believe public service is one of the highest callings available in our democracy. Some people can preach, some can teach, some can heal, and others can serve the public.

ABE RIBICOFF has served the people of Connecticut and the American public with high distinction. He has shown us what is finest and most noble in public service.

We do not often use the term "statesman" until a fellow has been gone for 25 years, but we can say today, with great certainty, that ABE RIBICOFF is a statesman. He is wise, he has great integrity, and total character; he has fulfilled a role that few have filled in this body.

ABE RIBICOFF has been a bipartisan man, while serving and supporting his party well. He has sought to find ways to work with both parties in protecting and promoting the vital interests of our country. I am delighted to find that we will continue to have his counsel in the years to come.

I know what a partner he has in Casey, his lovely wife; how much she has been part of his thoughts, his efforts, and his inspiration.

B. A. and I wish both of you great happiness, and we look forward to seeing you often in the future.

Mr. BAKER. Mr. President, I yield my remaining time to the Senator from New York.

Mr. JAVITS. Mr. President, ABE and Casey are close personal friends of mine. I, like Senator BENTSEN, served with ABE in the House. I think I was there when he came 2 years after I did. Our lives have had very parallel paths.

There are two outstanding characteristics about ABE which are proper to memorialize on the floor of the Senate as he leaves us and, indeed, as I do.

One is that he is one of the most considerate human beings I have ever met.

I believe his almost unparalleled success in the chairmanship of the Committee on Governmental Affairs has been attributable to that fact. I have seen no irritation or explosion in that committee, which is almost routine in any other I have served on; sometime, somehow, somebody gets irritated and just cannot take any more. Never in the case of ABE RIBICOFF.

That committee has operated on time. It has completed its agenda. It has

operated with celerity. Almost always, it has gotten together in a consensus; hence its remarkable success on the floor.

His second characteristic, to quote my own father, a janitor on the lower East Side of New York, Abe's standard of judgment on legislation and on policy is what is good for America. What is good for America? That is his only question. What is good for our country? This betrays or reveals, I think, the other dominant passion in his life, aside from Casey. That is a burning and fervent love for and devotion to this country.

I have seen him here, on the floor—and he and I have differed on it—taking positions which are completely contrary to everything he ever believed in because the measure failed to meet the test of what is good for the country. He had to meet that test, even though it might be unpopular and might get what we are all deeply concerned with, a lot of dead cats and brickbats on his head at that particular moment.

So, to me, Mr. President, he is the finest example here of these two great qualities; unfailing civility and unfailing accommodation to the needs of his colleagues and a deep sensitivity to those needs, and the other criterion, expressed in very curbstone language, but very accurate, what is good for America.

ABE, I hope that you and Casey, in the years ahead, may always have that standard, added, however, to one other which I now think takes equal rank: What is good for Casey, always.

Mr. ROBERT C. BYRD. Mr. President, how much time do I have?

The ACTING PRESIDENT pro tempore. The Senator has 3½ minutes.

Mr. ROBERT C. BYRD. I yield to the Senator from Ohio.

Mr. GLENN. Mr. President, I want to associate myself with all these remarks this morning. I always have mixed emotions when we go through some of these remarks when people leave the Senate, because, ABE, it sounds as though you are dropping off the planet. If I know you, as I do, I know that it will not be that you will be putting forth any less energy for your country or for interests in the things that are going on in the world; it will just be that you are channeling your efforts into a little different direction.

Mr. President, I planned to put a little more complete statement in the record, or give it here on the floor at a later time, which I still plan to do, but I think my estimate of ABE and his activities here would best be expressed by saying that I tried very hard to talk him out of his decision not to run again. That is not any indication of lack of confidence in his replacement, but I know of no one here whose counsel and advice I value more highly and that I want to continue to share in, even though he will not be here as a Member of the Senate.

Mr. President, I shall have some more

remarks at a later time, before we are out of session this year, but I want to associate myself with all the remarks being made today. No one could have been more helpful to me when I came to the Senate 6 years ago or was more considerate. I think Senator JAVITS' remarks about ABE as chairman of our Governmental Affairs Committee and his always being able to get a consensus are accurate. Even though we start out with completely divergent views, there always seems to be a consensus somehow worked out through his efforts.

ABE, I do not look at this as past. I look at it as continuing to seek your counsel and advice. We wish you and Casey the best. I appreciate all the help you have given to me, as I know so many of us do in this body.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. One minute and 30 seconds.

Mr. ROBERT C. BYRD. I yield that to the minority leader.

Mr. BAKER. I thank the majority leader. Mr. President, I yield the time to Senator STAFFORD.

Mr. STAFFORD. Mr. President, I remember, back in the mid-1950's, the New England States were experiencing some severe problems with moving traffic accidents and deaths upon our highways. I had the privilege of serving Vermont at that time as its attorney general and I think JACK JAVITS was then the attorney general of New York. We had a conference in Atlantic City. The then newly elected Governor of Connecticut, ABE RIBICOFF, was one of the principal speakers at our conference, describing for us the methodology he had adopted in Connecticut to reduce very substantially the death rate for moving vehicles in his State. That was my first chance to become acquainted with the distinguished senior Senator from Connecticut.

A little later, I had the privilege of serving with him as a brother Governor in the Governors' Conference of the Nation and in the New England Governors' Conference. I remember very vividly a New England Governors' Conference in ABE RIBICOFF's capital in Connecticut. And I met with him again when I landed here, in Washington.

Mr. President, I think he has had an extraordinarily successful career as Governor of his State and as U.S. Senator from Connecticut. I compliment him upon it. I think his constituents in the Nation have been most adequately, most beautifully served by him in this body. I hate to see him leave, as all of us do. I think the Senate will be diminished by his absence. I join all others in wishing him all success in the future.

I thank the Chair.

(As will appear later in the RECORD, the time for tributes to Senator RIBICOFF was extended by unanimous consent.)

Mr. PERCY. Mr. President, I have had

the privilege, as the ranking Republican on the Governmental Affairs Committee, of serving with Senator RIBICOFF for a number of years. I do not know of anyone I have ever worked with in any capacity—business, Government, education, whatever it might be—that I have admired more and who has added more enrichment and joy to my life. My life has been made more productive because of having that experience of working with him and observing, in close proximity, the remarkable qualities that he has brought to the U.S. Senate and to public life throughout most of his adult life—qualities that are in the best of the Senate and the U.S. tradition. I am filled with admiration for what he has accomplished, whether leading a delegation to the Soviet Union, in which he participated in a leadership role, or representing his Government and the American people in his travels abroad, accompanied sometimes by his beloved wife, Casey, who is a remarkable ambassador for the United States abroad and at home.

Mr. President, he is a man of tremendous decency in whom one can have explicit trust. His word is his bond in every instance. He has a high level of intelligence. He pursues a course for what is right, not what is partisan.

He has conducted his affairs in a totally bipartisan manner, always asking the question which Senator JAVITS raised, "What is right for the United States of America?"

He runs the committee on a business-like basis.

In order that we will run the Senate as effectively as Senator RIBICOFF has run his Governmental Affairs Committee, I am now presenting a resolution to the new majority that all committees shall begin on time. If they do not begin within a 5-minute grace period, the next ranking member will take over the gavel and bring it to order.

There is a deep sense of gratitude to ABRAHAM RIBICOFF, but not in any sense a feeling that we will lose him. He is a part of the Senate, a part of us. The most marvelous part of this body is that once we are a Senator, we are always a Senator. We are always welcome here. We shall always feel privileged to turn to him for advice and counsel, for encouragement, and for help.

What he has contributed to the Senate is permanent and we shall all benefit from it. The U.S. Senate is a better body of men and women and a better institution because of his powerful presence here.

I thank the Chair.

Mr. MOYNIHAN. Mr. President, I should like to continue the remarks which have been made by my colleagues. Most especially those by my revered senior Senator JAVITS and Senator PERCY, with respect to the impact that ABRAHAM RIBICOFF has had upon this institution and the Nation which it reflects.

He has been one of the preeminent

public men of his age, adding distinction and maintaining a tradition of public service in this body, in the Cabinet, and in his State of Connecticut, which he served as chief executive.

I would like to suggest something further. I would like to suggest that he has added a dimension to American Government—and particularly to the work of the Congress—that was not present before him, the onset of which has been but little noticed and could only have occurred in the course of a legislative career that has now passed almost two decades.

He has changed the way we do our business. I speak to the whole question of the evaluation of social programs and Government policy.

It is the particular genius of this man to be able to see conditions arising which require a response long before others are even aware that these conditions exist.

In 1966, at the height of the period of innovations in social policies of President Johnson's administration—there have only been three such moments in this century: One under Woodrow Wilson, one under Franklin Roosevelt, and one under Lyndon Johnson; there probably will not be another—at a time when bills were coming out of this Congress that had been talked about for generations and never acted upon, ABRAHAM RIBICOFF began to ask questions and hold hearings in his Committee on Government Operations. Do these things work? How will we know? Is there any measure of performance that we can set against expectation and congressional intent?

In his slow, effective manner, he brought into being the evaluation procedures that are now embodied in the General Accounting Office, an office whose elemental beginnings were in auditing business and Government activities. Two or three generations later, the evaluation of social programs has become a wholly new part of our oversight of the activities of Government. In this oversight, we ask, far beyond the question of, are the moneys properly spent, the higher question, do they have the intended effect?

I think Senator RIBICOFF may not be aware of this, but just recently I was talking with the Administrator of the General Accounting Office, Mr. Elmer Staats, who told me that as a consequence of Senator RIBICOFF's interests, and the development of this field, almost half the activity of the Government Accounting Office today consists of evaluation.

The GAO is a particular branch of the Government that we associate with the Congress. Half of what it does today, it does because of what ABRAHAM RIBICOFF set out to have it do almost 15 years ago.

This will seem to some a routine matter. It is anything but. It might even seem to others a pedestrian one. It is hardly that, because what ABRAHAM RIBICOFF addressed himself to at the height of the innovative enthusiasms of the 1960's was the oldest and most American

question of all. Will it work? Does it work?

This is a tradition that we associate with Ralph Waldo Emerson and to which we give the large appellation "pragmatism."

This pragmatism is at the center of the American experience. It is the secret of our success. No one in this generation has so advanced it as an effective philosophy than our beloved friend from Connecticut, ABRAHAM RIBICOFF.

We shall not miss him, for his presence will be with us as long as any of us here who knew him remains.

I would like to express to my colleagues my particular affection for his wife, Casey, and wish them every happiness in what will be their new State, alas not their new residence for political purposes. They will add to the distinctions of New York as he has illuminated the U.S. Senate.

We look forward to his new career practicing in Manhattan.

I thank the Chair.

Senator RIBICOFF seems always to have regarded the improvement of governmental policy and management functions as a continuous and logical process. He urged that as our society learned new and better ways of performing these functions, these new ways be incorporated into our public policy institutions. Program evaluation, in particular, seemed to him to hold high promise for the improvement of public management, and he became concerned, as early as 1967, that the executive branch might develop and maintain a monopoly with regard to evaluative information needed by the Congress. At that time he stated on the floor:

This is the information that tells us how well—or how poorly—our programs are working out. It tells us what needs revision and how it might be revised. It is essential to the operation of an effective and modern government that is responsive to the people and the times. And at the present moment, such information is not available to the Congress.

This problem is reaching critical proportions. In recent years Congress has enacted hundreds of programs costing billions of dollars. But once a bill is passed, the Congress often loses control over the program. The result is that the Congress is denied access to adequate knowledge on the daily operation of the program. (THE CONGRESSIONAL RECORD, June 8, 1967, p. 15250.)

In his legislative endeavors to improve the way Government operates, Senator RIBICOFF has been particularly sensitive to the fact that Government activities are conducted and performed by people, and particularly realistic in his recognition that the rules and regulations governing public management must be reasonable and the goals set for Government to achieve must be, in fact, achievable. At the same time, and moving toward the same goal but from another direction, he has advocated the use of evaluation, audit, and investigation, realizing that improved Government efforts and more responsive public man-

agement depend, over the long term, upon independent appraisal.

In the past and more recently, Senator RIBICOFF's work with the General Accounting Office has led to the establishment of Inspectors General in various Federal agencies. Similarly, the kinds of legislation he has supported and the establishment of evaluation requirements in that legislation, reflect his awareness of the need for evaluative information, especially as it contributes to congressional oversight and program accountability. Included here, as well, must be his efforts to strengthen the role and operations of the General Accounting Office, Congress primary oversight arm, again toward the same goal: That the Congress receive the best evaluative information available on the results of public programs.

In 1967 Senator RIBICOFF introduced a bill (S. 1929) into the Senate to establish a Commission on Legislative Evaluation which would explore the best ways to set up an independent office of the Congress to do legislative evaluations. He proposed that the Commission be chaired by the Comptroller General and came back to Congress with its recommendations.

The process continued in 1969 when hearings were held by Senator RIBICOFF as chairman of a government operations subcommittee responsible for the oversight of GAO. These hearings grew out of an agreement reached in the Senate on the military procurement authorization bill. Postponing action on amendments calling for studies by GAO of defense procurement activities, Senator RIBICOFF made a commitment to hold hearings on GAO's capability to audit and analyze defense expenditures.

Senator RIBICOFF's actual inquiry focused upon a broader agenda, however: Whether in fact the GAO could provide the Congress with the kinds of evaluative information the Department of Defense was providing for itself, thus improving the Congress oversight capability vis-à-vis the executive branch. The hearings became a forum in which the Comptroller General presented his views on how GAO could better help the Congress, and spelled out what GAO needed to get its job done. Following the hearing there was general agreement that GAO's capabilities could best be strengthened through separate legislation to be sponsored by Senator RIBICOFF.

Thirteen months later, legislation emerged containing seven titles and providing, in particular, that the GAO would:

Review, analyze, and evaluate ongoing Federal programs.

Assign staff to committees to prepare analyses.

Analyze and review legislative proposals.

Provide status reports on major weapons systems, construction programs, research and development programs, and others.

All in all, the Ribicoff bill was designed to strengthen and broaden GAO's authority in order to provide more effective service to the Congress. In its report on this legislation, the Senate Committee on Government Operations said:

It has long been the judgment of many Members of Congress, and of this committee, that the work performed by the General Accounting Office would be far more meaningful and useful if attention were focused upon ongoing programs, current activities, and new proposals. This approach, it was felt, would enable the Congress and its committees, to have the benefit of the General Accounting Office's findings and recommendations in time to halt unsound practices and activities, or those of doubtful value or legality. It would also make the activities of the General Accounting Office more meaningful and relevant and afford the Congress an opportunity to select the most effective program alternatives.

As is well known, the bill passed the Senate in October 1970 with little debate and no dissent, but the House failed to act and the bill died when Congress adjourned.

This report, however, played an important part in the later enactment of provisions on the Legislative Reorganization Act of 1970 and the Congressional Budget Act of 1974 which established a strong charter for current GAO program evaluation efforts which today represents one-half of GAO's activities.

What is clear, however, is that in this case as in others, Senator RIBICOFF viewed the provision of evaluative information to the Congress as essential to the proper performance of the oversight function, and that he viewed the strengthening of GAO as prerequisite to the provision of that information. In this sense, the GAO is directly linked to insuring that congressional oversight and monitoring of Federal programs are secured. It seems fair to say that Senator RIBICOFF's views of program evaluation, and of the GAO role with respect to it, have been of critical importance in shaping the GAO of today.

I thank the Chair.

Mr. CRANSTON. Mr. President, I join in paying tribute to a warm friend and a truly great American with whom it has been a tremendous pleasure to serve through all the time I have been in the Senate.

Mr. President, this year marks the end of ABRAHAM ALEXANDER RIBICOFF's 18 years of service in the U.S. Senate. It will be hard for me, and for my colleagues, to imagine the Senate without ABE RIBICOFF. In his quiet, but firm way, ABE RIBICOFF has helped direct the course of National Government for two decades. He has repeatedly helped forge compromises on extremely controversial and emotional issues.

He has been able to do that because he has had the respect and trust of every Senator, regardless of philosophy of party, and of so many Americans outside the walls of the Senate.

He has instituted major reforms, and has served the people of Connecticut and the United States with compassion,

commitment, and dignity. His record of accomplishment here in the Senate, as well as during his previous years as a State legislator, Member of the House, Governor of Connecticut and Secretary of HEW, is one that has rarely been matched, not only in our time, but in all the time of our Republic.

I first recall working with ABE in 1970, on his consumer protection bill. Since then, Congress after Congress, he has pressed for creation of a consumer protection agency with the determination and dauntlessness that marks his pursuit of every policy he believes is in the public interest. It is one of the very few dreams Senator RIBICOFF has not pursued into reality. Most of our key traffic and highway safety laws originated with him. The Department of Housing and Urban Development and the Department of Education owe a great deal to his initiative and genius for organization. His efforts to reform and revitalize our social programs—from family assistance to manpower to health to children's programs—have benefited countless in our society who are most in need of help.

I do not believe anyone can look at ABE RIBICOFF's experience and achievements without feeling a deep sense of respect and gratitude. He has dedicated his life to realizing the American ideals of social justice and social service. He has not hesitated to speak out when there was a need. He has cared. He has cared deeply.

It is thus with deep admiration and abiding affection that I join my colleagues in thanking ABE RIBICOFF for the leadership he has shown and in wishing him and his family well-earned happiness, fulfillment, and peace in the years ahead.

We will miss him in the Senate, but ABE, I know that we can count on your advice and counsel in the difficult days and the challenging days that lie ahead. We know that you always will be within reach, and we will be reaching out to you very often in the days to come.

Mr. LONG. Mr. President, at the close of this session, we will lose a Senator who will be a legend to this body. I refer, of course, to the senior Senator from Connecticut, ABRAHAM RIBICOFF.

No Member of this body has a more proper claim to the role of statesmanship than ABRAHAM RIBICOFF. Many times, in our very difficult and arduous efforts to resolve the problems that confront Americans, ABE RIBICOFF has risen above party, above region, above prejudice, to provide us guidance in meeting national needs.

For example, in the very difficult problem of the busing of children to achieve racial integration, ABRAHAM RIBICOFF has insisted that this matter be resolved for the best interests of the children rather than for the political advantage of any section or any group anywhere in this country. In doing so, he has met with scorn on occasion, in some areas, by people who did not understand his efforts to benefit Americans.

He has presented similar leadership in

grave international difficulties involving war and peace, such as settling the impassioned issues of the Near East. Although his heart tends to be for Israel, as his background would suggest, he has had the courage to stand here and advocated positions which would suggest that both sides must be compassionate and understanding with regard to the problems of others, that both sides must be willing to make concessions in order to live at peace with their neighbors, for the good of both sides and for the ultimate survival of mankind.

In some of those cases he has been misunderstood and unfairly criticized, but he has had the courage to stand his ground, completely worthy of those statesmen whose careers were discussed in John F. Kennedy's book, "Profiles in Courage."

In settling issues such as health care and help to the poor, ABE RIBICOFF has a strong feeling for the poor, for the disadvantaged. Yet, he has been able to see all sides of those problems and has had the courage to speak for what he believes best for the individual and best for the country, sometimes taking positions that might be unpopular with many in his home State of Connecticut.

Mr. President, there is no Member of the Senate who is more respected for his integrity and for his honesty. So far as I know, in the entire time it has been my privilege to serve with ABRAHAM RIBICOFF in the Senate, there never has been a time when he has done anything that could be the basis of even so much as a hint of improper conduct.

Even in advising a colleague what that colleague should do or should not do, in his entire tenure in the Senate he has never suggested to anyone that that person should take some course of action which the person would regret later.

Beyond that, Mr. President, the Senator has conducted himself with class. Never has he taken advantage of a colleague as he sought to press an advantage when it happened to be his, in any situation where it might be somewhat unfair, or unreasonable to do so. He has been a Senator's Senator.

I suppose the final example of the degree of class with which the Senator has operated is the way he has chosen to retire from the U.S. Senate. There is not the slightest doubt that he could have been reelected for yet another term in the Senate by the voters of Connecticut by an overwhelming majority, and he could have provided many additional years of service in the Senate, to the plaudits of the entire Nation. However, he felt that he had reached a point in life when, all things considered, it would be appropriate for him to step down. So, in the full vigor of manhood and in the full possession of every intellectual power that any Senator ever has possessed, he has felt that he has reached the point in life when he should retire, and he has done so with dignity.

Mr. President, I wish for every Senator all that has been achieved by the Senator from Connecticut. He has served as a Governor, a Member of Congress, a

member of the President's Cabinet, an outstanding Member of Senate, and the chairman of a major committee. I wish it could be the good fortune of every one of us to retire a winner, undefeated, having been before the people for their approval many times, having been elected many times, and then to retire at a time when, had one chosen to seek reelection, he could have been reelected.

The Senator's retirement is entirely voluntary on his part. It should be the envy of every one of us if, having served as long and diligently and as successfully as the Senator from Connecticut has served, we could have the privilege of retiring with the admiration of the Senate and the Nation and those who sent us here.

I extend my regards to his very lovely wife, Casey. It has been my pleasure and the pleasure of my wife, Carolyn B. Long, to visit with the Senator from time to time, to be a neighbor, and to take a trip with him on occasion when we discussed trade problems. The Senator is extremely fortunate to have so lovely a wife, who has been so dedicated and devoted to his career, and who has helped him in pursuing all he has achieved.

I should like to mention one other matter, Mr. President. In my judgment, it would not have been possible to pass the landmark trade bill that we passed in the last Congress had it not been for the service of ABRAHAM RIBICOFF. He had served as Secretary of Health, Education, and Welfare and had made tremendous contributions in the area of health, welfare, and social security, and he wanted to take a hand in something else. He was well-qualified, and he asked to be chairman of the Subcommittee on Trade. In my capacity as chairman of the Committee on Finance, it was my privilege to designate him.

The Senator from Connecticut not only held many meetings and traveled around the world to discuss trade problems, but also, he led the charge to see that we would have a very well qualified person as a special trade representative. In some situations that task was not entirely pleasant. I recall at least two occasions when I joined the Senator from Connecticut in insisting that the nomination of a proposed nominee of the President would not be confirmed if the name came up, in holding out for a more prestigious and, it was hoped, a more talented person to take the job. It was largely because of the efforts of the Senator from Connecticut that we were able to obtain the services of Robert Strauss as well as former Secretary of Commerce Fred Dent to serve in that position.

I mention Mr. Strauss because he was special trade representative when we concluded the negotiation and passed the legislation to put into effect what is perhaps the most historic trade bill of this century, and it would not have happened, in my judgment, without the dedication and the activities of the Senator from Connecticut (Mr. RIBICOFF).

I recall one occasion when the Presi-

dent was looking for the best man for the job. He discussed that matter with Mr. RIBICOFF and Mr. RIBICOFF suggested that if properly approached Mr. Robert Strauss could be persuaded to take that job, and Mr. Strauss did take the job, and the results speak for themselves. The result is a national legislative achievement, a national achievement that is a credit to the Carter administration and a credit to everyone who played a part.

Fortunately for all of us, ABE RIBICOFF will still be around. We will have an opportunity to visit with him, to see him from time to time, and to benefit from his wisdom.

Mr. CHILES. Mr. President, I am a person who does not take up much time on this floor, and I usually can say what I have to say very quickly. But how I can say in 2 minutes what I feel in my heart about ABRAHAM RIBICOFF is just impossible.

I know that many Senators in here feel a very personal relationship with Senator RIBICOFF. I know if someone asks me who in the Senate has been more helpful to you, more of a counsellor, giving you better advice than anyone else, I would very quickly say ABRAHAM RIBICOFF.

I feel that I have that very special personal relationship. When I talk with my colleagues I find that I am not the only one who has that same relationship. I think so many of us in here have exactly that same kind of feeling. In fact, that is true as to anyone who has ever been to Senator RIBICOFF, sought any advice, sought any counsel or said "I am interested in a particular piece of legislation, how should I go about trying to do something about that?" Senator RIBICOFF has been my committee chairman.

In that capacity, he has leaned over backward to allow me to have any kind of the courtesies of that committee or of his help in everything that I have attempted to do. I think he has been such an example of courage to all of us in here to not allow any special interest group, not allow any single issue group to panic him or to ever cause him to deviate from that great line of fairness and I think more than that, Mr. President, he has great wisdom.

Knowledge we can learn, but wisdom really is a gift from God. I think ABRAHAM RIBICOFF has that tremendous sense of wisdom. We almost can call it second sight. He can tell months in advance what is going to happen. He can tell us legislation that is going to pass and legislation that is not. He can give us wise counsel. He has done that to us individually, but he has also done that for his country and he has done it over all these periods of years in the capacities he has held as Governor, as a member of the Cabinet, as a Member of the U.S. Senate, and now I know that he is going to continue to do that as the statesman that he is going to be even though he is not going to be holding an elective office here. So I do not see this at all as a eulogy. I think it is a graduation, and we are going to have ABE RIBICOFF now giv-

ing that wisdom and that counsel outside of this body, and I am sure people are going to continue to listen and benefit by that great advice.

I am delighted to have had an opportunity to speak in this brief moment.

Mr. NUNN. Mr. President, again Senator CHILES said nothing is more difficult than trying to summarize our feelings about a great Senator and a great friend in 2 minutes, but I wish to add my words to those who have praised ABRAHAM RIBICOFF today.

He has been a man of great ability for many years. He has been a leader of tremendous intelligence. He has had sensitivity regarding human needs and human aspirations in this country.

Being from the South, I think that it can be said without any doubt that during periods of time where our Nation has struggled to provide every citizen equality regardless of race, color, or creed, Senator RIBICOFF has led that kind of battle, but in doing so he has always kept in mind that every region of the country should also be treated equally, and the people of our section of the country will always be grateful for the approach he made in many areas that took a great deal of courage.

I suppose we will have a lot of Senators who can replace to a degree the ability, the intelligence, and perhaps even the sensitivity, but I think it will be very difficult for us to replace the tremendous sense of intellectual honesty, integrity, and tremendous fortitude and courage that ABRAHAM RIBICOFF has displayed here.

He will be missed in this body. We hope to continue our personal relationships with him. We hope to continue to get the benefit of his guidance and also the presence of his lovely wife, Casey.

I just wish to say as the junior Senator from Georgia that our Nation owes a debt of gratitude to the State of Connecticut for supporting this man and providing him to the U.S. Senate as a great leader of both Connecticut and our country. I am grateful to have known him and to have been associated with him and look forward to continuing that kind of relationship in the future.

Mr. BAUCUS. Mr. President, ABRAHAM RIBICOFF is one of the few Americans whom I have had the privilege to know, honor, and revere as much as I do. He has been a counsellor to me personally. He has been a friend. He has been a father to me.

In many ways ABE reminds me of another Montana Senator who served in this body years ago, and that is Senator Mike Mansfield.

Senator CHILES took the words out of my mouth, as I stood here and began to collect my thoughts on what I think about ABE RIBICOFF.

During those times when I have had a problem and sought advice the one person I would go to first would be ABE RIBICOFF and that is because of his wisdom and integrity that has been mentioned already today. It is also because he listened. He took the time to listen.

I think, Mr. President, too often we in this body are caught up in the routine

of the whirlwind and sometimes spin our wheels. We are too busy. ABE RIBICOFF is not too busy. I think that is one of the reasons why he is so wise. It is why people seek him. It is why people in this body and elsewhere want to have the benefit of his counsel, and I only suggest, Mr. President, that all of us here in the Senate do well by remembering the model that ABE has set by being not too busy, by listening, and I think that not only we as individuals will benefit but I think the country will benefit as well.

Mr. President, let me conclude by saying that one of the highest privileges I have had is to know and work with a man of the stature of ABE RIBICOFF.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut.

Mr. WEICKER. Mr. President, no man is more admired in the State of Connecticut than ABE RIBICOFF. That admiration is not restricted to politicians. In all fields of endeavor, he is the most admired man in the State, and for good reason. Connecticut is a small State so it is able to focus on its officeholders with precision. We are under that microscope. In every possible position during his career whether as legislator, judge, Congressman, Governor, Cabinet officer, or Senator, the State knows ABE RIBICOFF. Usually for most of us the end of our careers leave many doubters, sceptics and antagonists. Not so ABE RIBICOFF.

The fact is that as years go by this man gets more popular in the State of Connecticut. That constituent judgment is the most meaningful of all who view us.

ABE is a man, of enormous courage. He has displayed that on so many occasions. It is a quality which is harder and harder to find in America.

He is willing to make his position known. He does not waffle on the issues.

Fortunately, this is not good-bye as far as I am concerned. ABE is going to continue to live in Cornwall, Conn., so I will have the opportunity for advice and friendship.

I would like to conclude with a personal tribute based on my own feelings of this man. Many people over the years have wondered how two men from different parties can be as close as the two of us have been. Well, you just do not get close to a man of ABE RIBICOFF's stature.

The day I walked into this body there never was a question that I was not going to be influenced by his brand of greatness. The State of Connecticut has benefited from the fact that ABE shared his wisdom shared those traits of character which are so important to outstanding leadership.

ABE, the State of Connecticut will miss you in the governmental, political sense but believe me there is a tremendous loss on my part in not having you here on the floor for advice, for encouragement, and for example. That is what you have been to me.

No man could have had a better example. Maybe in a few months, I will become the senior Senator from the State of Connecticut in name but I think it is going to take many years, and many decisions on my part, to earn the title.

So for the start you have given me, thank you, and for what lies ahead of you—great good fortune.

Mr. HART. Mr. President, there is no school for Senators, and certainly no Member of this body today, or any of our historic predecessors, has ever been born to the Senate. We are elected by our constituents to represent our States, and then we learn how to become Senators. The only way we can do that is if there are those here who embody not only what is best in the Senate but what is best in the American character, and we learn to become Senators by observation, by example, of those figures.

There are all too few, unfortunately, of those people, but there are those throughout history who have fulfilled that role of teaching all of us to become Senators and, perhaps, in effect, to become Americans.

Those few, of whom the Senator from Connecticut, Mr. RIBICOFF, is certainly one, perform that function of perpetuating what is best about the U.S. Senate, not in their words but in their deeds, in their behavior and, most of all, in their character.

I would ask the indulgence of my colleagues if my remarks become personal because ABE RIBICOFF was, perhaps, the only Member of this body with whom I had become acquainted before I became a Member of this body, and he extended those qualities of character and leadership to me even before I was elected to represent my State. I came here with enormous respect and admiration for him, and in the 6 years that I have watched him as a model for what the U.S. Senator should be, nothing he has said or done as a U.S. Senator has led me in any way to lessen my regard for him.

Mr. President, in short, I think the Senator from Connecticut, Mr. RIBICOFF, is the embodiment of all that a U.S. Senator should be, and I hope this body will somehow find a way to replace him in future years.

Mr. HARRY F. BYRD, JR. Mr. President, it is difficult to add to the many splendid and accurate tributes that have been expressed for ABE RIBICOFF in the Senate today.

I do want to say, however, that I feel that Senator RIBICOFF's voluntary retirement from the Senate represents a great loss to the Senate and to the American people.

Senator RIBICOFF is one of the ablest and one of the finest individuals it has been my privilege to know. We have sat alongside one another on the Finance Committee for 12 years now, and I have gained much from his commonsense and good judgment.

I think it is appropriate to say we do not have exactly the same philosophy on some of the matters coming before the Senate, but always have I had great confidence in ABE RIBICOFF, always have I had great admiration for him as an individual and as a Senator.

I know I shall miss being so closely associated with him as a member of the Finance Committee, and sitting side-by-side with him.

He is an individual whom I instinc-

tively like, one for whom I have the warmest and highest admiration.

The Senate will miss ABE RIBICOFF, but he has left a very important mark on the Senate of the United States, and I believe that as the years go by, he will be regarded as one of the ablest men and one of the finest men who has ever served in this great body.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. RANDOLPH. Mr. President, the tributes expressed about our colleague, ABRAHAM RIBICOFF, are meaningful, and they are meaningful because they go to a Senator who merits what has been spoken of him.

ABRAHAM RIBICOFF, I remember him, as others do, for specific instances within their leadership in this body and in public service. Incidentally, Senator RIBICOFF has served, as he leaves this Chamber in a few days, 42 years, 42 years in meeting the needs of the people.

ABE, if I can turn to you now, you have made my seat here a happy one because of the little chats and confidence that we have had.

But I remember that night when you came to Elkins, W. Va., in 1961. You were at that time a Secretary in the Cabinet of President John Kennedy. You came to speak to several hundred of our men and women on the matters of education and other subjects that were so close to them.

ABRAHAM RIBICOFF and his lovely lady Casey leave not only to them, but they leave in the sense in the hearts of all of us the recognition—and they did not seek it—that they had been very much a part of the development of often sound legislation, often innovative, often controversial, but always realizing that men and women can have differences but that animosities need never enter in there.

I shall remember his service, as others will. I am grateful for the opportunity of speaking for a man who has been conscientious and who has often led crusades that were most worth while.

Mr. HELMS. Mr. President, Harry Truman once said, when he came to the Senate, that he spent the first 2 weeks wondering how he got there; thereafter, he wondered how other guys got there. Nobody has ever wondered how ABE RIBICOFF got to this Senate. He has graced it with ability, intelligence, integrity and, yes, charm.

I want him to know at this time, and at all times, that I have appreciated his friendship, and I have admired him. As the distinguished Senator from Virginia, Mr. BYRD, just said in his own case that he did not always agree with Senator RIBICOFF, and neither have I, but one thing is for sure: It is always the case with ABE RIBICOFF that any disagreement is an agreeable one.

So I wish you and your lovely Casey every continued success and happiness. I want you to know that Dorothy and I love you very much.

Mr. HATFIELD. Mr. President, how does one pay tribute to a man of such diverse talents and so multifaceted a personality as Senator ABRAHAM RIBICOFF? I find it difficult to get a handle on where

I would like to start, because there are so many things on my heart at this time.

I recall one time that Senator RIBICOFF shared with a few of us about an experience he had as a small boy growing up in a limited income family and how there was a certain boy that he walked to school with and walked home with every day of the week that school was in session. This other boy had a family of higher income who had more money for various expenditures. One of their habits was that they would stop in this pastry shop on the way home from school each night and this friend of Senator RIBICOFF's would buy two jelly donuts and proceed to eat them on the way home, and never once, in all of those years and all of those jelly donuts that he purchased, did he ever offer Senator RIBICOFF so much as even one bite.

Now, I tell that story only because I think it is out of the full life and the learning of living that Senator RIBICOFF, among many of his attributes and virtues, demonstrates generosity. He has had this experience of one of his friends being so ungenerous that it taught him the great lesson of generosity.

I could talk about Senator RIBICOFF rising from a modest economic background—very rich, though, in family tradition and religion—onto a position of a U.S. Senator, Cabinet official, and Governor.

When I went to my first Governors' Conference in 1959, I looked around the table of the 49 other Governors and I selected Senator RIBICOFF as my model that I would like to live up to. I used Senator RIBICOFF as my model and still feel that he would be anyone's model to try to achieve and live up to the high excellence that he demonstrates.

But, Mr. President, if I were to try to summarize the life of Senator RIBICOFF and my view of his life, I would like to share with my colleagues here what I shared a few months ago at a small dinner party when it was my privilege to pay tribute to Senator RIBICOFF at that time.

I would like to take from the great Jewish tradition and writings of the Talmud, because in the Talmud there is defined what constitutes a good man, three major characteristics.

The Talmud records, first, that a good man promises little, but performs much.

Second, that a good man needs no monuments, because his deeds become his shrines.

The Talmud further states that a good man is characterized as one who is hard to provoke and easy to calm.

Now, think about that for a moment. In my view, those of us who have known Senator RIBICOFF and who have great affection and love for him, I think would be unanimous in saying that the Talmud has indeed spoken here directly and specifically of Senator ABRAHAM RIBICOFF. He embodies those characteristics that the Talmud speaks of.

I thank the Senator for having been a friend. I wish him well, happiness, joy, and God's blessings on his life and that of his dear wife, Casey, who we love very dearly, as well.

Mr. WARNER. Mr. President, as a Member of the freshman class, speaking on behalf of my freshmen colleagues, all of us have had the greatest admiration for the distinguished Senator from Connecticut; many of us—certainly this young Senator from Virginia—have tried to model our careers in many respects following the guidance, wisdom, and the friendship extended by ABRAHAM RIBICOFF.

We shall miss you and, as we say in Virginia, if you ever return to my great State, you will be accorded the honors of a true Virginia gentleman.

Mr. President, on a separate matter may I ask today's RECORD include a beautiful prayer composed and delivered by our colleague, Senator JOHN DANFORTH, last night at a historic dinner hosted by the majority leader-elect and Mrs. Howard Baker, in honor of the President-elect of the United States and Mrs. Ronald Reagan, and Vice President-elect of the United States and Mrs. George Bush, and attended by incumbent and retiring Republican Senators, newly elected Republican Senators, and senior advisors of the President-elect.

Senator BAKER opened the evening by characterizing it as a "family affair." Senator DANFORTH, in an eloquent style reflective of his training in the ministry delivered this prayer, which set the tenor for this moving occasion:

Our heavenly Father, no people have been as blessed by you as we who are Americans. We have been given so much for which we are thankful—a fruitful land, a diverse population, and especially a tradition which values the dignity of each person whom you have created in your image.

We are now at a turning point in the history of our country, and at this turning point we who are present tonight have been called to be leaders.

Give us the strength and the commitment to be up to that task. Help us to set forth a vision of what America can be, to state a clear purpose for our people, to offer hope for a future of peace and opportunity. Make us uniters, not dividers. Help us to summon Americans together to the great common task of rebuilding our country and creating a heritage for generations to come.

Bless our new President, our new Vice President, and all who will assume positions of leadership.

Bless this food to our use and us to thy service, and make us always mindful of the needs of others. Amen.

Mr. LEVIN. Mr. President, I merely wish to add a brief note of my own personal thoughts. I have served on the Governmental Affairs Committee with ABE for the 2 years I have been here. He has been a model of courage and stability, as so many people have said this morning. Those two words, I think, characterize his life here as much as any two words could.

When I first came here, I think ABE was probably the first Senator I met with. I sat in his office asking for advice. I got the feeling sitting with him that he was really interested in my agenda and was not in any way seeking to impose his agenda on me. I felt that a special relationship was then created. There was a personal feeling between us that was something special and unique.

As I sat here this morning and had the privilege to preside while so many of these tributes were being paid, I so much agreed with what LAWTON CHILES said about each one of us apparently having the same kind of special relationship with ABE RIBICOFF that I felt I had. So that unique ability to deal with people as individuals, to deal with them as special individuals, is something which ABE RIBICOFF has so much of. We are going to miss him, we are going to remember him, we are going to look forward to his coming back often.

It has been a special privilege for me to be able to sit in the U.S. Senate with ABE RIBICOFF.

Mr. TALMADGE. Mr. President, it is a great privilege for me to join with so many of my colleagues in honoring the distinguished Senator from Connecticut, ABE RIBICOFF, on his retirement.

ABE RIBICOFF is a warm personal friend. I had the opportunity to work closely with him when he was Secretary of HEW under the Kennedy administration and I have since had the privilege to serve with him for many years on the Finance Committee where I was a member of the Trade Subcommittee which he chaired. Together we worked on the Trade Expansion Act of 1962 which laid the foundation of most of the major trade and tariff structure we have today.

As State legislator, judge, Congressman, Governor, Cabinet officer, and U.S. Senator, ABE RIBICOFF has left his mark on both State and national policy. His leadership led to the enactment and establishment of the Department of Housing and Urban Development, the Department of Transportation, the Department of Energy, and the Department of Education. As the able chairman of the Senate Governmental Affairs Committee, he did yeoman's work on civil service reform. As chairman of the Finance Committee's Subcommittee on International Trade, ABE RIBICOFF managed Senate passage of the Tokyo Round of Multilateral Trade Negotiations and "Most Favored Nation" trading status for the People's Republic of China.

ABE RIBICOFF is universally respected by his colleagues in the Senate. He is a man of strong convictions and personal integrity. He has served with deep wisdom and extraordinary dedication, and both the Congress and the Nation are better for ABE RIBICOFF's service. For his contributions which stand as a monument to his capability, we salute him and thank him—and wish for him the best of success in whatever endeavors he chooses to pursue.

A FAREWELL TO SENATOR ABE RIBICOFF

Mr. WILLIAMS. Mr. President, even though we have all known for some time now that our most distinguished colleague and dear friend from Connecticut is retiring from the U.S. Senate, I still find it difficult to say goodbye to him today.

Maybe that is because he has been such a good friend. Or perhaps it is because he has been such a strong ally and thoughtful Democrat. Or maybe it is dif-

ficult to say goodbye to him today because we can imagine how much his presence here will be missed.

For those and many other reasons, I am especially sorry to bid farewell to this experienced and able statesman who has done so much during the past 18 years to help keep our Nation on the proper course.

The accomplishments and the dedication of Senator RIBICOFF have been lauded here today by his many friends. There is certainly ample testimony to his outstanding record and much evidence of the respect in which he is held by his colleagues. I will not extend that litany by listing now the many legislative successes and political laurels that deserve to be laid at his feet. But I do want to re-emphasize that whatever purpose Senator RIBICOFF has dedicated himself to has always been marked by principled determination, careful consideration of all sides of an issue, and prescient awareness of what would be best for the country and for his home State of Connecticut.

Throughout his career, both with us in the Senate, and in his other government offices, Senator RIBICOFF has faced his share of arduous and formidable tasks. He has fought some lonely battles, and he has been in the vanguard of critical issues. For as long as I have known him, my distinguished colleague and frequently has proven himself to be one of the finest individuals ever to serve in this deliberative body.

Jose Marti once said, "Mountains culminate in peaks, and nations in men." ABE RIBICOFF embodies that sentiment. He will surely be remembered by all of us here, and by history, as a uniquely qualified legislator and statesman.

I extend to him every good wish for happiness and continued success in whatever he chooses to do in the years ahead.

Mr. COHEN. Mr. President, in my first 2 years as a U.S. Senator, I have been privileged to serve on the Governmental Affairs Committee under the distinguished leadership of Senator ABRAHAM RIBICOFF.

Senator RIBICOFF's stewardship of the committee has been characterized by a passionate commitment to the democratic process, an unfailing courtesy toward the Republican members, and an unusual ability to reconcile opposing views into a workable compromise. He is respected by all of us who have worked with him as an able and tireless legislative craftsman.

Senator RIBICOFF's outstanding Senate service is only the capstone on a lifetime dedicated to public service. His career—from Governor of Connecticut to Secretary of HEW to U.S. Senator—has been marked by his commitment to his country, his desire to serve his fellow man. His life truly exemplifies a special kind of patriotism, described by the late Adlai Stevenson as a patriotism that puts country ahead of self; a patriotism which is not short, frenzied outbursts of emotion, but the tranquil and steady dedication of a lifetime. These are words that are easy to utter, but this is a mighty assignment."

Mr. President, ABRAHAM RIBICOFF has fulfilled this mighty assignment. We who remain behind shall miss his wisdom, his counsel, and, most of all, his quiet patriotism.

Mr. SIMPSON. I regret that I was not able to be present on the floor this morning at the time various tributes were paid to ABE RIBICOFF. I deeply appreciate the majority leader holding the RECORD open for further remarks.

I have been in this body for less than 2 years. I have learned much. I have won a few and lost a few. I have come to know these men and this woman that I have the privilege to serve with. I still have much to "sort out" about the experience but I have arrived at one inescapable conclusion. ABE RIBICOFF is one of the absolutely class persons of this organization. He is the very epitome of the U.S. Senator—as I would have envisioned one to be during the years before I came here.

I have another personal link with him. He served in the Senate when my father, Milward Simpson, also served in this body. He and my father, even though philosophically quite divergent in view, became fast friends. One of the first things my father told me after my election was,

Be sure to give my richest regards to ABE RIBICOFF—observe him and learn from him because he is indeed one of the most remarkable and finest of the U.S. Senators.

I do wish all Members of this body could have been present when ABE RIBICOFF shared himself with us at the Senate prayer breakfast group some months ago. That was one of the most stirring relations of Senate history and tradition that I have ever heard. It was also a tremendous expression of the sharing of the personality of ABE RIBICOFF. I had never seen a time during prayer breakfast when we did not conclude our deliberations by 9 o'clock. On that day the hour of 9 o'clock passed without a single murmur from those present—as we listened to history literally unfold. Here was this marvelous man sharing his remarkable philosophies and reviewing his lifetime of service to his Nation. He told us of the parts which were the most meaningful to him and which parts were the most bitter and destructive. He told us what he believed—and how he felt—and he reviewed his own vulnerability and growth and shared the very real humanness of "the Senate experience." I have a hunch that others who were there that morning shall always remember that most moving occasion.

The reason that ABE RIBICOFF is so very much the epitome of a U.S. Senator is because he is fair, he is tough, he is courteous, he is gracious, he is kind, he does his homework, and his demeanor and attitude simply command respect. No, command is not the word. One simply tenders respect to him because of the type of gentleman he is.

I consider my Senate experience to have been a much richer one because of my association with ABE RIBICOFF. And I say a most sincere "thanks" to him. "Thanks" for being just who he is. He is

a most authentic human being. And I also thank him and his most stylish and gracious lady, Casey, for the kindnesses they have extended to Ann and to me since our coming to this place.

His leaving of the U.S. Senate leaves a large blank spot on the tapestry that weaves through the personalities in this Chamber. He will be sorely missed. But he goes out the same way he came in—with class.

I join with every other Member of this body in expressing love and respect to him—and God speed him in whatever endeavors and objectives he sets for himself—and my hunch is that this Nation will ask much more of him and he—being the kind of person he is—will give it in full.

God Bless you, ABE.

Mr. STEVENS. Mr. President, when the senior Senator from Connecticut, ABE RIBICOFF, announced his intention to retire from the U.S. Senate at the end of his current term, it took a great many of us by surprise. ABE RIBICOFF has been a pillar of support and an example of leadership in the Senate for over 16 years. We have come to depend upon his judgment, his fair and even treatment, and his absolute honesty. When ABE RIBICOFF gives his word, it is like money in the bank. These characteristics have been exemplified throughout his career as a State legislator, Judge, Congressman, Governor, Cabinet officer, and a U.S. Senator. His life and career should be an example to all those who seek public office.

When I first came to the U.S. Senate, I joined the Governmental Affairs Committee, which was chaired by Senator RIBICOFF. During my tenure, I learned that he is not only a wise lawyer but a fine teacher as well. My freshman colleagues and I saw that a great deal can be accomplished for constituents and for the Nation by quietly, but diligently, working with other Members of Congress on legislation of importance. More goals can be achieved by working hard in dealing fairly and honestly with your colleagues than an occasional flash of publicity or grandstanding will ever bring. ABE RIBICOFF is the epitome of that concept commonly referred to around here as a workhorse, rather than a show horse. He is an effective legislator.

Along with ABE's fairness, honesty and hard work, he has a big heart. He cares about other Members and their problems. He is concerned about those particular issues that affect each of us. On a personal note, let me relate the help ABE and Casey Ribicoff have given me. Somehow, the Ribicoffs found out years ago, that I was seeking books to send to the rural native libraries in my State. These native community libraries have almost no funds to purchase books for their patrons. Over the past years, the Ribicoffs have donated box upon box of books from their personal library, from their own purchases, to send to these native libraries. This action typifies the concern ABE and Casey have for their fellow Members of Congress and Americans everywhere.

One of the greatest times that I can

remember was when my late wife, Ann, and I accompanied the Ribicoffs on a trip abroad. I want to take this opportunity to congratulate ABE on his outstanding career in public service and to express the hope that he and Casey will find equally challenging and rewarding tasks in the future.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. RIBICOFF. Mr. President, I am deeply touched and very appreciative to have my colleagues, whom I respect and love, offer these comments as I am about to leave the U.S. Senate.

This is a great institution, and any person who has been privileged to have been sent here by his constituency has had conferred upon him the greatest possible honor.

The significance of this body is that it brings together men and women from all the 50 States. We all have to understand that the genius of the U.S. Senate is that in this body, day in and day out, we know what the United States really is because the men and women who come here are speaking for the people of their State. We will never succeed as a country unless we accommodate ourselves to one another with our conflicting philosophies and objectives.

In a few weeks we will have a change of leadership in this body. The Democrats who have controlled will give way to the Republican Party. The Republicans will have an opportunity to exercise leadership with a new President and a new Senate. Senator BYRD, as majority leader, will give way to Senator HOWARD BAKER as majority leader.

I love both men and have worked with both men. Senator BYRD, as majority leader, has been a man of great wisdom, of courage, always working in the national interest. I know he will continue to do so as minority leader.

President-elect Reagan is very fortunate to have as his leader Senator HOWARD BAKER. Senator BAKER is wise, experienced and knows how to bring conflicting points of view together. Senator HOWARD BAKER is a close personal friend, and the genius again of this body is that our friendships cross party lines and cross the middle aisle. We respect one another for what we are and not because of our party labels.

I have only one thought as the administration changes and the administration of another party comes into being. To me, the symbol of our country is the Presidency of the United States. When a President succeeds, the country succeeds. If a President fails, the country fails. We may have our differences, philosophically and politically, with whoever may be the President, but I have always felt that a U.S. Senator, consistent with his own beliefs and philosophy, should do everything he possibly can to make an American President succeed, because not only is the future of our country at stake, but the future of the entire world is at stake.

The Presidency becomes more and more complicated with each passing day because of American power, American position, American resources. Without question, the President of the United

States has become the most important single individual in the entire world.

I am confident that the men and women who will serve here in the next Congress will do all they can for the benefit of our country.

President Carter is leaving. I liked President Carter. I respected him and I worked with him. But nothing is permanent in life or in politics, and the people have expressed their will.

I know that each and every one of us in this body and in this country wish the President-elect well, and we wish for him a successful administration.

I want to thank each and every one of my colleagues for their friendship, for their consideration, and for having given me the privilege of working with them during these 18 years. I love this body and I always will. The greatest memories of my life will be here.

One final word: I want to take this opportunity to thank the people of the State of Connecticut. No State could have given a man more opportunities and more responsibilities than the people of the State of Connecticut have given me. There is not anything that a State could give a man that the people of Connecticut have not conferred upon me.

I will always be grateful to them.

It is said that you can never go back to Pocatello, but if I do not go back to Connecticut I would lose my respect as a person. Connecticut will always be my home, will always be my residence, for all my living days.

My thanks to each and every one of you for the many kindnesses you have conferred upon me during my tenure as a U.S. Senator. My thanks, too, for your most gracious comments concerning my beloved Casey. She deserves them. I will always remember the Senate, I will always love it, and I will always appreciate it with great depth and respect.

[Applause, Senators rising.]

(The following proceedings occurred during the foregoing tributes to Senator RIBICOFF.)

The ACTING PRESIDENT pro tempore. The leaders' time has now expired.

ADJOURNMENT

JOURNAL—ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, there are other Senators who want to be heard on this subject. I ask unanimous consent that the Senate be considered as having adjourned for 2 seconds; that the reading of the Journal be considered as having been dispensed with; that there be 15 minutes of routine morning business; that Senators may speak therein; that no resolution or motions may come over under the rule; and that the RECORD show no interruption.

Mr. BAKER. Mr. President, reserving the right to object, and I shall not object, I understand the request of the majority leader to be that we have a momentary adjournment of the Senate. Is that correct?

Mr. ROBERT C. BYRD. Yes, Mr. President.

Mr. BAKER. That nothing come over under the rule and that we proceed to

have not more than 15 minutes of morning business.

Mr. ROBERT C. BYRD. Mr. President, with no disturbance in the RECORD of the colloquy.

Mr. BAKER. And with no interruption shown in the colloquy relating to the Senator from Connecticut.

Mr. ROBERT C. BYRD. That is correct, Mr. President.

Mr. BAKER. I am sure that will have a bearing on how we proceed beyond this point, Mr. President. I am aware of that. Under the circumstances, I think it does not create a problem as far as we are concerned, and I have no objection to the request of the majority leader.

Mr. ROBERT C. BYRD. I thank the Senator.

There being no objection, the Senate, at 10:28 a.m., on Thursday, November 20, 1980, adjourned until 10:28:15, the same day.

AFTER ADJOURNMENT

THURSDAY, NOVEMBER 20, 1980

The Senate met at 10:28:15 a.m., pursuant to adjournment, and was called to order by the Honorable CARL LEVIN, a Senator from the State of Michigan.

Mr. CHILES. Mr. President, is there additional time?

Mr. ROBERT C. BYRD. Mr. President, Mr. HEFLIN has a special order from yesterday and he has been very patiently waiting. He certainly has a right to claim that order at this time.

May I ask him if he wishes so to do.

Mr. HEFLIN. I will certainly not. I am enjoying this. I am finding out about the history of our greatest Senator that we have ever had.

EXTENSION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be an extension of routine morning business not to exceed 10 minutes and that Senators may speak therein up to 2 minutes each and that any Senator may insert a statement in the RECORD at this point if he desires, and that there be no interruption of the colloquy at this point by virtue of these requests.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (Conclusion of earlier proceedings.)

AMENDMENT OF TITLE VIII OF CIVIL RIGHTS ACT OF 1968

The PRESIDING OFFICER. The Senate having adjourned, the bill H.R. 5200, which has had its first reading and is at the desk, will now receive its second reading.

The legislative clerk read as follows:

A bill (H.R. 5200) to amend title VIII of the Act commonly called the Civil Rights Act of 1968 to revise the procedures for the enforcement of fair housing, and for other purposes.

Mr. BAKER. A parliamentary inquiry, Mr. President.

Mr. ROBERT C. BYRD. Mr. Presi-

dent, I object to any further proceedings on this measure.

The PRESIDING OFFICER. The bill (H.R. 5200) having been read twice and objection having been heard to its further consideration, the bill will now be placed on the calendar.

Mr. BAKER. Mr. President, I have no further parliamentary inquiry. That was the purpose of the inquiry, to ascertain the correctness of my understanding that, on second reading and in the face of objection, the bill goes directly to the calendar.

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. I thank the Chair.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

RECOGNITION OF SENATOR HEFLIN

The PRESIDING OFFICER. Under the previous order, the Senator from Alabama (Mr. HEFLIN) is recognized for not to exceed 15 minutes.

Mr. HEFLIN. Mr. President, I shall not take the 15 minutes. I did not make any remarks during the period in which numerous Senators had praise for Senator RIBICOFF. While I wanted to do so at that time, I felt that I could do so in under my 15-minute time limit.

I concur in the remarks made by all the Senators concerning Senator RIBICOFF. He is a great Senator, a great statesman, a great American, and we shall miss him.

S. 3216—NATIONAL LASER INSTITUTE ACT

Mr. HEFLIN. Mr. President, I am today introducing a bill which would mandate the establishment of a National Laser Institute. The purpose of this bill is to establish a mechanism to improve the coordination of Federal efforts in laser research and technology development in order to accelerate the development and utilization of laser technology for the benefit of the Nation and of mankind.

Mr. President, during December 1979 and January of this year, I had the privilege of chairing several days of hearings on this vital technology. The committee report summarizing the findings and recommendations growing out of these hearings will soon be available. I strongly recommend that each Member of this body thoughtfully examine this report, for I am thoroughly convinced that the invention and development of the laser is an event which will someday rank in importance along with some of the fundamental inventions of mankind, such as the invention of the wheel, internal combustion engine, heavier-than-air flight, and television.

While much has been done to nurture this infant technology during the first 20 years of its existence, a recurring theme developed during the laser hear-

ings and is well documented in the report I previously mentioned.

To date, laser research and development has been highly compartmentalized with a number of Federal agencies and civilian institutions working more or less independently, each within its own sphere of interest and influence. For example, the research and development effort on this technology has been fragmented, with responsibilities for various programs resting with the National Aeronautics and Space Administration, the Department of Energy, and the Department of Defense, as well as other agencies. Even within the Department of Defense, the high-energy laser effort is spread among four separate organizations—the Defense Advanced Research Projects Agency, the Department of the Air Force, the Department of the Navy, and the Department of the Army.

While there is a degree of coordination among the programs under the aegis of the Department of Defense, each program is directed toward technology objectives of primary and unique interest to the sponsoring organization or service. The individual funding levels, even within the Department of Defense, do not permit the accumulation of the critical mass funding necessary to facilitate program development.

Thus, the hearings found that there is a compelling need to revise the DOD high-energy laser research and development planning and funding to achieve a balance between technology development and weapon system development. It is therefore recommended that the achievement of this objective could be enhanced by the Secretary of Defense designating an office in the Office of the Deputy Under Secretary for Research and Engineering to manage and direct the overall DOD high-energy laser program. But, this is only part of the problem since, as mentioned, the total national effort is fragmented, just as the DOD effort is fragmented.

Coordination among the Federal departments and agencies is generally weak, and much of the coordination stems from the professional relationships among the senior managers and researchers, rather than from institutional relationships. The Federal program structure stresses achievement of differentiated departmental, rather than national missions and goals. Thus, one of the major findings of the hearings documented by the committee report is that there is a need to improve the coordination of the high-power laser programs among the various departments and agencies of the Federal Government.

This improved coordination will increase the effectiveness of the separate departmental and agency laser programs and thus increase the efficiency and effectiveness of the overall Federal effort. It is therefore strongly recommended that an institutional mechanism be established to improve this coordination. That, Mr. President, is what the National Laser Institute, which would be created by the bill I offer today, would accomplish.

Mr. President, my bill would create in the executive branch of the Federal

Government a National Laser Institute to coordinate the national laser research and development effort. The Institute would be comprised of key Government officials, such as the Secretary of Defense, the Secretary of Energy, the Administrator of NASA, the Director of the National Science Foundation, the Director of the Office of Science and Technology Policy, and other recognized leaders of the scientific, business, academic, and governmental community who would be appointed by the President and by the Congress.

The Institute would be supported by a small but competent full-time staff and would be required to meet at least two times each year. It would be mandated to study laser research and technology applications for future civilian and national security uses; to make recommendations, including recommendations for legislation, to the Congress and to the President regarding implementation of the findings of the Institute; and to make recommendations to the Congress and the President regarding coordination of the efforts of the departments and agencies of the Federal Government with respect to laser technology, including cooperative programs and exchange of information, manpower, and facility resources.

The Institute will be required to prepare and submit to the President and the key committees in the House and Senate an annual report regarding its activities under the act. The Institute members and employees would have access to such classified or nonclassified information as is necessary for them to carry out their responsibilities of an overall umbrella agency under the act.

Mr. President, the approach I am advocating here today is certainly not without precedent. When World War I broke out in 1914, the United States was last on the list of world powers equipped with military aircraft, running a poor fifth behind France, Germany, Russia, and Great Britain.

But, not only the tangible evidence of aeronautical progress was lacking. There were few aeronautical research laboratories and facilities in this country, whereas the above-mentioned nations already had well equipped and well staffed research facilities. Italy and Russia had aeronautical laboratories long before the United States took the step. A survey by the Smithsonian Institution resulted in a report which showed clearly the dangerous gap between the state of aeronautical technology in Europe and in the United States.

The result of the national concern which mounted over this problem was the establishment of the National Advisory Committee for Aeronautics which was charged with the duty of supervising and directing the scientific study of the problems of flight, with a view towards practical solutions.

The first committee appointments were made by President Woodrow Wilson on April 2, 1915, and the committee began its work by April 23 of that year. This forerunner of the National Aeronautics and Space Administration proved to be one of the most successful

approaches to solving practical problems ever devised by this Congress. Within a few short years, the United States was able to assume the lead in aeronautical science and continues to this day to be the technological leader in air and space applied sciences, primarily because of the foresight displayed by the Members of Congress and the scientific community in those early years of aviation.

Similarly, if this Congress will draw upon the precedence provided by that Congress so many years ago and establish this National Laser Institute, I am confident that 20 or 30 years from now, Americans will look back with pride to the beginnings of the effort which made us preeminent in the advancement of laser technology.

Mr. President, I ask unanimous consent that my bill be printed in its entirety at the close of these remarks so that the Members can examine it in detail at their convenience.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HEFLIN. Mr. President, I will not today dwell on the many potential civilian peacetime applications of laser technology, nor on the many potential defense applications of this new science. These various applications are well documented in the hearing record and are, of course, summarized in the committee report I previously mentioned. I would, however, like to highlight a few of these applications to put the need for this legislation in the proper perspective.

Since the initial discovery of the laser in 1960, practical applications of laser technology have already proved to be of great benefit in manufacturing, retailing, medicine, and advanced communication fields. However, the potential for laser application in space exploration and in the crucial areas of national defense and energy production has yet to be realized. And this potential, in my judgment, makes laser technology the most exciting and important scientific field of research for the remainder of the century. I am not exaggerating when I say that the future of this Nation, especially in defense and energy, is inextricably tied to the full development and exploitation of laser technology.

During the laser hearings, I listened to numerous scientific experts testify that many of our Nation's problems could—and I feel certain will—be solved through laser applications. Let me briefly outline a few examples of the potentials of laser application.

First, there is a great potential for lasers to be used in the production of electricity through clean and safe nuclear fusion—as opposed to the current method of nuclear fission. This application of laser technology can provide our Nation with an inexhaustible supply of cheap and clean electric power without the dangers of nuclear reactor accidents or the problems caused by radioactive nuclear wastes.

With respect to defense applications, a very large number of Senators are already on record as supporting a space based laser weapons system which could potentially provide an umbrella protect-

ing our Nation from enemy missile-delivered nuclear weapons systems, whether launched from underground land-based silos or from submarines lurking near our shores.

I expect that, if not during the next session of Congress, at least soon, we will be channeling funds into just such a program. Unless, however, the actions I am recommending today are taken, it may well be possible that we will not achieve these very complicated and complex systems during this decade, and perhaps not even during this century. High-energy lasers which offer the potential for directed energy weapons in which hostile targets are disabled or killed by the energy of the laser beam require three stressing technology components: very high power laser devices; precision mirrors/optics; and precise pointing and tracking devices. These weapons systems also would require sophisticated fire control and technology for battle management. A less than fully coordinated national effort to advance these various technology components, in my judgment, would be doomed to failure or at least to delays which could prove decisive.

The reason I feel that delay may become a decisive factor is that much has been written lately about the Soviet Union's extensive research and development of laser weapon systems. In my judgment, we cannot afford to fall behind the Soviet Union in this critical area.

Lastly, there is a great potential for laser application in space exploration which must be fully developed by the National Aeronautics and Space Administration.

The almost unlimited potential for laser application is not seriously questioned. While private industry is engaged in the research and development of laser technology, there is little doubt but that the Federal Government must be the leader. The program is so vast and so important that just as the Federal Government has taken the lead in the space program and established as a national commitment the placing of a man on the Moon, thus the Federal Government must take the lead in developing this new technology.

Federal funding for laser research—and the Federal Government is the principal sponsor of high-energy laser R. & D.—exceeded \$400 million last year. This amount was shared almost equally by the Departments of Energy and Defense, with a small amount expended by NASA. This relatively small amount of money being expended in such a critical field places us at a terrible disadvantage with the Soviet Union, which is expending massive amounts of money—more than five times our expenditures—on the development of laser technology.

The United States cannot afford not to make an all-out American effort in laser research and development.

Mr. President, I fully realize that during this lameduck session it will be impossible to move this bill forward into law. I, of course, intend to reintroduce it early in the next session of Congress. Because a record has already been made in

previous hearings during this Congress as to the efficacy and importance of this legislation, I would hope that this measure could be expeditiously moved forward to become law.

I urge every Member of this body to examine this proposal seriously and thoughtfully, and I think that each of you will agree with my conclusion and rally behind this most worthwhile effort.

EXHIBIT 1

S. 3216

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Laser Institute Act".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) laser technology is among the most important technologies of this century, ranking in significance with nuclear fission and integrated circuits;

(2) low-power laser systems already have produced large improvements in military capability, with further improvements expected;

(3) laser technology has the potential to benefit the United States in many important areas including national security, energy production, space activities, communications, and photochemistry;

(4) high-energy laser systems have the potential to significantly alter existent military strategy, doctrine, and tactics, and thus cause a dramatic shift in the relationships of the superpowers;

(5) federally sponsored laser research has not been fully coordinated, and the lack of such coordination has detracted from the Nation's ability to achieve important laser applications at the earliest time;

(6) achievement of laser applications can be accelerated through cooperative and coordinated efforts of departments and agencies of the Federal Government; and

(7) the diverse areas to which high-energy laser technology can make extremely important contributions, require that the Congress participate in charting the Nation's course in the development and utilization of high-energy laser technology for the benefit of mankind.

(b) The purpose of this Act is to establish a mechanism to improve the coordination of Federal efforts in laser research and technology development, in order to accelerate the development and utilization of laser technology for the benefit of the Nation and mankind.

ESTABLISHMENT OF INSTITUTE

SEC. 3. (a) There is created in the executive branch of the Federal Government a National Laser Institute (hereafter cited as the "Institute"). The Institute shall be composed of thirteen members as follows:

(1) The Secretary of Defense.
(2) The Secretary of Energy.
(3) The Administrator of the National Aeronautics and Space Administration.
(4) The Director of the National Science Foundation.

(5) The Director of the Office of Science Technology Policy.

(6) Two individuals shall be appointed by the President from industries involved in laser technology, selected from among individuals in such industries who are knowledgeable and possess expertise in laser technology and laser research and development.

(7) Two individuals shall be appointed by the President from the academic profession, selected from among individuals who are knowledgeable and possess expertise in laser technology and laser research and development.

(8) Two members shall be selected by the President from a list of names to be

submitted to the President by the President Pro Tempore of the Senate, upon the recommendation of the Majority Leader and the Minority Leader.

(9) Two members shall be selected by the President from a list of names to be submitted to the President by the Speaker of the House of Representatives.

Not more than five of the individuals appointed pursuant to paragraphs (6) through (9) of this subsection may be members of the same political party.

(b) The President shall designate one of the members of the Institute as Chairman at the time of his appointment. Any vacancy in the Institute shall be filled in the same manner as the original appointment, including the party affiliation limitations contained in subsection (a) of this section.

(c) The Institute shall hold such meetings as are necessary for carrying out its responsibilities under this Act. The Institute shall meet at the request of the Chairman or upon the request of a majority of its members, but in no event shall the Institute meet less frequently than two times within each calendar year.

(d) (1) There shall be a full-time staff director for the Institute who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) Within the limit of its appropriations, the Institute may—

(A) appoint and fix the compensation of such other personnel as may be necessary;

(B) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, at rates for individuals not to exceed the rate prescribed for GS-18 in the General Schedule under section 5332 of title 5, United States Code; and

(C) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code.

(e) Members of the Institute who are otherwise employed by the Federal Government shall serve without compensation. Members of the Institute who are not employees of the Federal Government shall receive compensation at a rate equal to the daily rate prescribed for positions in Level V of the Executive Schedule under section 5316 of title 5, United States Code, including traveltime for each day they are engaged in the performance of their duties as members of the Institute during which they are engaged in the actual performance of duties vested in the Institute. While away from their homes or regular places of business in the performance of services for the Institute, members of the Institute shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Federal Government service are allowed expenses under section 5703 of title 5, United States Code.

(f) Section 5316 of title 5, United States Code, is amended by inserting at the end thereof the following:

"Director, National Laser Institute."

FUNCTIONS OF THE INSTITUTE

SEC. 4. (a) The Institute shall—

(1) study laser research and technology applications for future civilian and national security uses;

(2) make recommendations, including recommendations for legislation, to the Congress and the President regarding implementation of the findings of the Institute made pursuant to paragraph (1) of this section; and

(3) make recommendations to the Congress and the President regarding coordination of the efforts of the departments and agencies of the Federal Government with

respect to laser technology, including cooperative programs and exchange of information, manpower, and facilities resources.

(b) The Institute may make specific recommendations pursuant to its authority under subsection (a) of this section as necessary, or upon the request of the President, the Congress, or the head of any department or agency of the Federal Government.

ACCESS TO INFORMATION

SEC. 5. (a) The members and employees of the Institute shall have access to such classified or nonclassified information as is necessary for carrying out their responsibilities under this Act. Access to such information shall be subject to the procedures for security clearance established and in effect by departments and agencies of the Federal Government. Nothing in this subsection shall be construed as waiving any requirement or sanction, criminal or civil, with respect to disclosure of classified information by any person.

(b) In order to assist the Institute in carrying out its responsibilities under this Act each department and agency of the Federal Government shall, upon request of the Chairman of the Institute, provide access to such information and materials as is requested in accordance with the provisions of subsection (a) of this section.

ANNUAL REPORT

SEC. 6. (a) The Institute shall prepare and submit—

(1) to the President;

(2) to the Committee on Armed Services, the Committee on Commerce, Science, and Transportation, and the Committee on Energy and Natural Resources of the Senate; and

(3) to the Committee on Armed Services, the Committee on Science and Technology, and the Committee on Interior and Insular Affairs of the House of Representatives;

an annual report regarding its activities under this Act, together with such recommendations for legislation, budgets, and program content or other action as the Institute determines to be necessary or desirable in order to carry out the objectives of this Act.

(b) Notwithstanding any other provision of law, any information which is designated as classified and is transmitted to the Congress in accordance with the provisions of subsection (a) of this section shall be treated by recipients of such information as classified information, and not released to any source except in accordance with any law, rule or regulation applicable to or promulgated by the source of such information.

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

TERMINATION

SEC. 8. The provisions of this Act shall terminate five years after the date of enactment of this Act.

CRIME IN THIS COUNTRY

Mr. HEFLIN. Mr. President, I wish to address a problem to which I have spoken on several occasions during my tenure in the Senate, the problem of crime in this country. Next to inflation and the economic ills which plague this Nation, crime is probably the most serious domestic problem that the American people face today.

During the past few years there has been an alarming increase in overall crime in this country, a fact which is

having a chilling effect on the average American citizen.

Over the past 30 years the number of murders in the United States has increased by 370 percent and the number of robberies has increased by 300 percent. Last year murder rose by 18 percent over 1978, forcible rape rose by 13 percent and robberies by 10 percent. There is no reason to believe that these trends in violent crime will begin to reverse in the near future. FBI statistics for the first 6 months of 1980 reveal that violent crimes are up 10 percent over last year.

Based on statistics for 1979, the FBI has determined that a violent crime occurs every 27 seconds in this country; someone is murdered every 24 minutes; a forcible rape occurs every 7 minutes; there is an assault every 51 seconds; and, a robbery takes place every 68 seconds.

These disturbing figures are based on nationwide surveys and indicate that crime is a widespread problem and not isolated to only a few highly populated areas of the country.

For example, the South is considered by many to be one of the safest regions of the country in which to live and raise a family. However, there were some dramatic increases in crime in the South during 1979 with murder increasing by 10 percent over the previous year, forcible rape by 14 percent and robbery by 17 percent.

Recent surveys indicate that fear of crime is causing a majority of Americans to drastically alter their lifestyle. This research reveals that 4 out of 10 Americans are highly fearful of becoming victims of a violent crime such as murder, rape, robbery and assault. One person in four has stopped going places he or she used to go at night because of fear of becoming a victim of a violent crime.

Nine out of 10 Americans lock the doors of their homes and apartments and ask visitors to identify themselves before allowing them to enter. Four out of 10 people feel unsafe in their homes, neighborhoods, workplaces and shopping centers.

In recent years the United States has also seen a significant increase in "white collar" crime, which is resulting in staggering costs to our economy. In a 1976 study conducted by the Joint Economic Committee of Congress, it was estimated that such crimes as bankruptcy fraud, bribery and kickbacks, consumer fraud, credit card and check fraud, insurance fraud and securities fraud, are costing our economy \$44 billion per year. Studies also point out that "white collar" crime contributes to an erosion of public confidence in our legal and economic systems which may promote an atmosphere of lawlessness, leading to more crime.

Recent studies reveal that "white collar" crime, as in other areas of crime, is on the increase, costing the American taxpayer more each year.

All across this land, in our cities and in our towns, in our suburbs and in our rural areas, crime is soaring at an alarming rate and is diminishing the quality of life for all Americans regardless of race, sex, or creed.

Mr. President, I believe it is time that Congress declare an all-out war on crime in this country. Everyone agrees that something must be done about crime, but too many times it has been treated as a secondary issue by the Federal Government. Strong talk and wishful thinking will do nothing toward reducing crime. It is incumbent upon Congress to act forcefully and deal dramatically with this crisis that now confronts us.

It has long been my belief that the Federal Government must share the responsibility of law enforcement with State and local governments. Only with this type of partnership, pooling our resources, manpower and technology, can we effectively combat crime and at the same time, improve our system of criminal justice.

I was deeply disappointed at the demise of the Law Enforcement Assistance Administration due to budgetary cutbacks earlier this year. I believe this program has been of enormous benefit to our State and local governments in their efforts to improve the administration of criminal justice at every level. By providing financial aid and technical assistance to those governments we have made vast improvements in the areas of crime prevention and control.

LEAA proved to be extremely successful in a number of programs such as: statewide court modernization; training of court professionals; jury management; uniform sentencing guidelines; career criminal programs; prosecutor's management information systems; "Sting" antifencing projects; law enforcement training programs; health care in jails; drug and alcohol diversion; victim/witness assistance; deinstitutionalization of status offenders; and others. These programs have had clear and definable impacts on crime reduction all across this country.

In efforts by Congress to reduce Federal spending and bring inflation under control LEAA has been reduced to a nominal existence. LEAA's critics cite inefficiency and waste as sufficient reasons to eliminate the programs and I can understand their concerns. I believe my record will reflect that I am strongly in favor of returning fiscal responsibility to Government. In doing so, I realize that every agency in the Government will have to sacrifice. Yet, how many agencies, out of the hundreds that exist, have been totally abolished as has LEAA. The problems it had in its early years diminished as the program matured and instead of adopting policies and methods to further solve its defects, Congress and the administration instead preferred to destroy it altogether.

With the abolition of LEAA, the Federal Government now has no program whose primary function is to try to solve the problems of crime in this country.

I believe the Federal Government must take an active role if the war on crime is to be won. The extent of its role, and how it should be shaped, are questions we hope to answer in hearings to be conducted by the Judiciary Committee on December 3. These hearings will focus on the problems and successes of past Federal assistance programs to State and

local governments and, what role, if any, the Government should play in the future. The committee will also look at the current status of crime in this country and reasons for the drastic trends it has taken in recent years.

I wish to thank Senator EDWARD KENNEDY, chairman of the Judiciary Committee for calling for this hearing and I commend him for the leadership he has provided in this crucial area. I also wish to commend Senator STROM THURMOND for his active role in searching for solutions to the problems of crime. I look forward to working closely with him in the future.

I thank the Chair.

ENVIRONMENTAL EMERGENCY RESPONSE ACT

Mr. ROBERT C. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, may I say, before I proceed to the unanimous-consent request, it is the desire of the leadership on this side of the aisle to proceed to the consideration of the superfund bill, the Senate version.

The PRESIDING OFFICER. Let us have quiet in the Chamber, this may involve a ruling of the Chair.

Mr. ROBERT C. BYRD. I should say to the distinguished minority leader and others on the other side of the aisle that it would be my hope that we could proceed with the consideration of the Senate bill.

It is my understanding that Mr. STAFFORD and Mr. RANDOLPH have worked out an amendment by way of a substitute, perhaps, to the Senate bill which might represent a pretty fair consensus of the Senate.

It would also be my hope that if Senators wish to have a little time to further negotiate the Stafford-Randolph proposal, if we could get to the superfund bill, we might then set it aside, hopefully, and proceed to other matters while those considerations are being carried on.

So, having said that, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1151, S. 1480.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object. Mr. President, I am reserving the right to object.

The PRESIDING OFFICER. Let us have quiet in the Chamber. The Chair is not familiar with the situation except to understand that it may require a ruling.

Mr. BAKER. Mr. President, I thank the Chair.

Mr. President, may I say on reservation that the majority leader has conferred with me in advance of this, for which I am grateful. He is aware from that private conversation, which I repeat now, that I had hoped we could work out a satisfactory arrangement to permit us to pass a superfund bill this session.

Now, that statement is at variance with

what I have said publicly before. I had said I thought there was no chance a superfund bill could pass this session. But, frankly, I changed my mind, and I was urged by many on this side to try, and I have tried to do so.

We have had a number of meetings. Indeed, there was a meeting scheduled for 3 o'clock this afternoon with a number of parties who are interested in this subject, including the distinguished Senator from Vermont (Mr. STAFFORD), the distinguished Senator from New Mexico (Mr. DOMENICI), the distinguished soon-to-be chairman of the Finance Committee (Mr. DOLE), and a number of others.

I had hoped we could work out something.

I do not think, in all candor, that the Randolph-Stafford bill is a compromise in the sense that it would permit us to proceed at this time to the consideration of this measure.

I do think there is still a chance, I suppose, that that could be worked out, but not in the face of an effort to proceed immediately to the consideration of this measure. I simply do not believe such action could be the basis of negotiations.

Mr. President, having said that, I express my regret that we apparently are at an impasse on this subject, and therefore I object to the request of the majority leader.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, I understand the position of the distinguished minority leader. Again I say that I hope the Senate will proceed to the bill. Then, if additional time is needed, which apparently the distinguished minority leader would like to have, I would hope that we could set the bill aside then and proceed to something else in the meantime.

Therefore, Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1151, S. 1480, and I ask for the yeas and nays on the motion.

The PRESIDING OFFICER. Is there a sufficient second?

CALL OF THE ROLL

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. BAKER. Mr. President, I object to the request.

The PRESIDING OFFICER. Objection is heard.

The assistant legislative clerk continued and concluded the call of the roll and the following Senators answered to their names:

[Quorum No. 33 Leg.]

Baker	Hart	Sarbanes
Bradley	Hefflin	Stennis
Byrd	Helms	Thurmond
Robert C.	McClure	Warner
Cranston	Randolph	
Goldwater	Riegle	

The PRESIDING OFFICER. A quorum is not present.

The clerk will call the roll of absent Senators.

Mr. CRANSTON. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

Mr. HELMS. I ask for the yeas and nays.

Mr. BAKER. I ask for the yeas and nays.

The PRESIDING OFFICER. The Chair sees only three Senators in the Chamber.

Mr. BAKER. Mr. President, I hope the clerk will continue the call of the roll of absent Senators while others are brought to respond to the request for the yeas and nays.

The PRESIDING OFFICER. What is the Senator's request?

Mr. BAKER. Mr. President, I request that the clerk continue the call of the roll to determine the presence of a quorum, prior to ruling on the request for the yeas and nays.

Mr. ROBERT C. BYRD. Mr. President, has the absence of a quorum been established?

Mr. CRANSTON. Mr. President, I repeat my request for the yeas and nays.

The PRESIDING OFFICER. The Chair stands corrected. The Parliamentarian advises that three Senators are sufficient to second the request for the yeas and nays. If that is the rule, it will be followed.

That brings us now to the question of the motion to instruct the Sergeant at Arms to require the attendance of absent Senators. On this question the yeas and nays have been requested and are ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from North Dakota (Mr. BURDICK), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. CULVER), the Senator from New Hampshire (Mr. DURKIN), the Senator from Alaska (Mr. GRAVEL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. MAGNUSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Ohio (Mr. METZENBAUM), the Senator from Wisconsin (Mr. NELSON), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I further announce that the Senator from Hawaii (Mr. INOUE) is absent on official business.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. DURENBERGER), the Senator from Utah (Mr. HATCH), the Senator from California (Mr. HAYAKAWA), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), and the Senator from South Dakota (Mr. PRESSLER) are necessarily absent.

The PRESIDING OFFICER (Mr. HEFLIN). Are there any other Senators wishing to vote?

The result was announced—yeas 75, nays 5, as follows:

[Rollcall Vote No. 476 Leg.]

YEAS—75

Armstrong	Garn	Percy
Baker	Glenn	Pryor
Baucus	Hart	Randolph
Bayh	Hatfield	Ribicoff
Bellmon	Hefflin	Riegle
Bentsen	Heinz	Roth
Biden	Helms	Sarbanes
Boren	Hollings	Sasser
Boschwitz	Huddleston	Schmitt
Bradley	Humphrey	Schweiker
Bumpers	Jackson	Simpson
Byrd	Jepson	Stafford
Harry F., Jr.	Johnston	Stennis
Byrd, Robert C.	Kassebaum	Stevens
Chafee	Leahy	Stewart
Chiles	Levin	Stone
Cochran	Lugar	Talmadge
Cohen	Matsunaga	Thurmond
Cranston	McClure	Tsongas
Danforth	Melcher	Wallop
DeConcini	Mitchell	Warner
Dole	Morgan	Williams
Domenici	Moynihan	Young
Eagleton	Nunn	Zorinsky
Exon	Packwood	
Ford	Pell	

NAYS—5

Goldwater	Proxmire	Weicker
Long	Tower	

NOT VOTING—20

Burdick	Hatch	Mathias
Cannon	Hayakawa	McGovern
Church	Inouye	Metzenbaum
Culver	Javits	Nelson
Durenberger	Kennedy	Pressler
Durkin	Laxalt	Stevenson
Gravel	Magnuson	

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on the motion to proceed.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names.

[Quorum No. 34 Leg.]

Armstrong	Gravel	Proxmire
Baker	Hart	Pryor
Baucus	Hatfield	Randolph
Bayh	Hefflin	Ribicoff
Bellmon	Heinz	Riegle
Bentsen	Helms	Roth
Biden	Hollings	Sarbanes
Boren	Humphrey	Sasser
Boschwitz	Jackson	Schmitt
Bradley	Jepson	Schweiker
Byrd	Johnston	Simpson
Harry F., Jr.	Kassebaum	Stafford
Byrd, Robert C.	Kennedy	Stennis
Chafee	Leahy	Stevens
Chiles	Levin	Stevenson
Cochran	Long	Stewart
Cohen	Lugar	Stone
Cranston	Matsunaga	Talmadge
Culver	McClure	Thurmond
Danforth	Melcher	Tower
DeConcini	Metzenbaum	Tsongas
Dole	Mitchell	Wallop
Domenici	Morgan	Warner
Eagleton	Moynihan	Weicker
Exon	Nelson	Williams
Ford	Nunn	Young
Garn	Packwood	Zorinsky
Glenn	Pell	
Goldwater	Percy	

The PRESIDING OFFICER. A quorum is present.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I move to lay on the table the motion to proceed and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Arkansas (Mr. BUMPERS), the Senator from North Dakota (Mr. BURDICK), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from New Hampshire (Mr. DURKIN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Washington (Mr. MAGNUSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from North Carolina (Mr. MORGAN), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I further announce that the Senator from Hawaii (Mr. INOUE) is absent on official business.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. DURENBERGER), the Senator from Utah (Mr. HATCH), the Senator from California (Mr. HAYAKAWA), the Senator from New York (Mr. JAVITS), the Senator from Iowa (Mr. JEPSEN), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Oregon (Mr. PACKWOOD), and the Senator from South Dakota (Mr. PRESSLER) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 29, nays 50, as follows:

[Rollcall Vote No. 477 Leg.]

YEAS—29

Armstrong	Gravel	Schweiker
Baker	Hefflin	Simpson
Baucus	Helms	Stevens
Bayh	Humphrey	Thurmond
Bellmon	Kassebaum	Tower
Boschwitz	Lugar	Wallop
Cochran	McClure	Warner
Danforth	Percy	Young
Dole	Roth	Zorinsky
Domenici	Schmitt	
Garn		
Goldwater		

NAYS—50

Baucus	Glenn	Nunn
Bentsen	Hart	Pell
Biden	Hatfield	Proxmire
Boren	Heinz	Pryor
Bradley	Hollings	Randolph
Byrd	Jackson	Ribicoff
Harry F., Jr.	Johnston	Riegle
Byrd, Robert C.	Kennedy	Sarbanes
Chafee	Leahy	Sasser
Chiles	Levin	Stafford
Cohen	Long	Stevenson
Cranston	Matsunaga	Stewart
Culver	Melcher	Stone
DeConcini	Metzenbaum	Talmadge
Eagleton	Mitchell	Tsongas
Exon	Moynihan	Weicker
Ford	Nelson	Williams

NOT VOTING—21

Bayh	Hatch	Magnuson
Bumpers	Hayakawa	Mathias
Burdick	Huddleston	McGovern
Cannon	Inouye	Morgan
Church	Javits	Packwood
Durenberger	Jepsen	Pressler
Durkin	Laxalt	Stennis

So the motion to lay on the table the motion to proceed to the consideration of S. 1480 was rejected.

Mr. ROBERT C. BYRD. Mr. President, there is a desire and a need on the part of Senators on both sides of the question and on both sides of the aisle to have some discussion and, perhaps, to negotiate some differences with respect to this bill. In addition to that fact, Mr. HOLLINGS wishes to bring up the conference report on the budget resolution. After conferring with Mr. BAKER and other Senators, I am constrained to ask unanimous consent that further action on the pending motion be delayed until 4 p.m. today.

Mr. BAKER. Mr. President, reserving the right to object, I will not object, the purpose of the reservation is to say that I think that is a good arrangement. That leaves the parties in status quo. The motion to proceed has not yet been disposed of. There is time now for the parties to resume the meetings planned earlier, to see if there is a possibility of working out a bill.

I repeat once more, I would like to see us pass a bill if we can work out the details of it, and do it in this session.

With the request just made by the majority leader, I am willing to resume those negotiations, and I have no objection.

Mr. HELMS. Mr. President, reserving the right to object, I simply want to thank the distinguished majority leader for his consideration.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, we are locating Senator HOLLINGS now.

While awaiting the arrival of Senator HOLLINGS and Senator BELLMON so that the Senate can proceed on the conference report on the budget, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SECOND CONCURRENT RESOLUTION ON THE BUDGET—CONFERENCE REPORT

Mr. HOLLINGS. Mr. President, I submit a report of the committee of con-

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ference on House Concurrent Resolution 448 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 448) revising the congressional budget for the U.S. Government for the fiscal years 1981, 1982, and 1983, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

Mr. ARMSTRONG. Mr. President, reserving the right to object, may I inquire, has a printed conference report been made available for the use of the Members?

Mr. HOLLINGS. It is in the RECORD right here.

Mr. ARMSTRONG. It is in the RECORD for last night?

Mr. HOLLINGS. The Senator is correct.

Mr. ARMSTRONG. I thank the Senator. I have no objection.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of Wednesday, November 19, 1980.)

Mr. HOLLINGS. Mr. President, the race is not always to the swift nor the battle to the strong. But your conferees have produced an agreement on the 1981 budget in record time. And we have done so with a strong and successful defense of the Senate's positions on the critical budget issues.

Yesterday, your conferees wasted no time in moving toward final passage of the 1981 budget. We proceeded immediately and directly from the Senate floor to our conference with the House Committee. In less than 2 hours, we reached an agreement that preserves and advances the Senate's most important objectives.

First, the conference agreement accommodates the Senate-endorsed tax cut on a realistic timetable; second, it makes the strongest commitment to national defense that the budget process has yet produced; third, it reduces the Senate-passed outlay and budget authority levels; fourth and finally, it cuts back on the deficit that was contained in the Senate-passed resolution.

Mr. President, this budget agreement keeps us moving toward the fiscal goals we have set for ourselves. It is worthy of our support.

Your conferees went into yesterday's negotiations determined to defend the Senate's positions and to arrive at a responsible spending plan. We accomplished both of those objectives.

On the tax cut issue, this conference agreement provides fully for the proposal advanced yesterday by Senators ROTH

and DOLE and adopted by the Senate. It assumes only that such a tax cut will be enacted next year by April 15 and made retroactive to January 1. The April 15 enactment date for the tax cut means that its cost to the Treasury will be reduced in 1981. That is because withholding rates will continue at the higher level established by existing law until April 15. Taxpayers will get refunds in the following fiscal year just as they always have done after retroactive tax cuts.

Only once in the history of Congress has a major tax cut been introduced in January and adopted prior to April 15. This conference agreement merely assumes that 1981 will not see a repetition of the lightning-fast record of 1975 when—in the middle of a major recession—Congress passed a tax cut by March 29.

President-elect Reagan will be inaugurated on January 20. If our new President presents his tax cut plan on January 21, this conference agreement assumes that Congress will enact it in less than 90 days. Surely that is an optimistic time frame for the consideration and passage of such a major new tax reduction.

But more than that, as I have noted, this conference agreement will accommodate the prospect that a tax cut adopted after April 15 may be applied retroactively to January 1—with all of its parts and provisions.

In short, the tax cut envisioned by the authors of yesterday's amendment is fully provided for in this conference agreement.

Mr. President, similarly, of course, they could take the normal course and pass it by the end of May and in that event perhaps make retroactive the business features of it. The withholding forms could be revised by July 1 to put the individual income tax cuts into effect July 1.

There are a number of alternatives or options there.

On the spending side, the agreement is just as responsive to the will of the Senate.

In yesterday's conference, we sought to achieve a compromise between the considered judgments on spreading programs that had been made by the Senate, and the judgments made by the House—including its across-the-board spending cut. Basically, we arrived at that compromise by splitting the difference.

On the bottom line, the spending totals we arrived at are lower both in budget authority and in outlays than the Senate-passed levels—a result that moves us closer to the ultimate goal of Government in the black which absorbed so much of yesterday's Senate debate.

The budget authority level \$694.6 billion is \$5 billion lower than the Senate-passed figure.

The outlay level of \$632.4 billion is \$600 million lower.

The deficit level of \$27.4 billion is more than \$7 billion lower.

In achieving those sizable savings,

however, this agreement does not sacrifice our Nation's most critical needs. Most notably, it establishes the highest level of spending for national defense that we have ever included in a budget resolution.

Under the terms of the agreement, the outlay level for fiscal 1981 defense spending will total \$159 billion—more than \$5 billion above the outlay figure contained in the first resolution.

Mr. President, this year has been a challenging one for the budget process. We have had to contend with a very volatile economy—with an abrupt and unexpected change of Budget Committee chairmen—with strong differences of opinion on fiscal policy, both within and between the two Houses of Congress—and with the unfamiliar circumstances of a lameduck session and an intervening election the consequences of which will change the character of the Senate as well as the administration.

In the face of those challenges, we have produced a workable compromise on a second budget resolution for 1981 that sustains our drive toward a greater degree of fiscal discipline, strengthens our defenses, preserves vital spending programs, accommodates a very large tax reduction, and reduces the 1980 deficit by more than \$30 billion.

This conference agreement is worthy of our 5-year tradition of responsible and well-constructed budgeting. It is worthy of the Senate's support. I strongly recommend its adoption and I am confident that it will provide us with a base to build on in the months and years to come.

Now, Mr. President, I want to emphasize a few points in addition to my prepared remarks. I want to go right back to ground one, the starting line, June 1980, the balanced budget, and ask exactly what occurred.

As I view it, there are four elements that have run us over that balanced budget. One, of course, is inflation, the inflationary costs of all the particular programs throughout the Government.

Another element is another one-half of 1 percent of unemployment. You will find this particular budget rather than being computed, as in the first concurrent resolution at 7.5 percent, is computed at an 8 percent unemployment level, for calendar year 1981, which could still be high, hopefully.

It also contemplates the addition of a tax cut, of course. That was well debated yesterday. That has added to the deficit.

Then, of course, more than anything else, and it should be emphasized with respect to priorities, the National Congress is saying here that, "Yes, we can have that balanced budget we had in June. But we feel so strongly about our need to rebuild the Nation's defenses that we have added \$28.2 billion."

The 050 defense function for fiscal year 1980 was \$144.5 billion; for 1981 it is \$172.7 billion. So that is an increase in budget authority of \$28.2 billion, and

that \$144 billion is up from the \$129 billion when we met in November a year ago. We were toying then in the neighborhood of \$129.9 billion, right in there as a figure and, of course, that has gradually gone up over the year with supplements to the \$144.5 billion level.

It has not just gone up \$5 billion since June; it has gone up \$28.2 billion in the last year, and more.

This resolution has got a \$27.4 billion deficit. If we kept defense at the constant level of \$144 billion we would have the balanced budget.

This is a restrictive budget. It cuts back on the controllables, as we characterize them. Other than, of course, such key areas as defense and social security and the built-in inflators, it cuts back some 15 percent in real terms in the other programs and, at the same time—I do not know what this percentage would amount to, but I would daresay it is somewhere in the nature of a 5-percent real growth for defense. I am going to have to try to compute that and have it for my colleagues before the debate is concluded.

I want again to thank the distinguished Senator from Oklahoma (Mr. BELLMON). He was a steady keel and guide throughout that short conference there, and we got good language in here with respect to reconciliation. We are still working on it. That is on schedule, and we said we could not adjourn sine die, in this resolution, until we got reconciliation.

We have asked for a budget review. There are many kinds of rules changes that would make the process itself more understandable and thereby more supportable by our colleagues in the Senate. So we called for a full review there. We made tremendous progress in this particular exercise.

I really resist the idea of the Government budget hemorrhaging, when we are cutting back. But some in our own discipline, some of our own committee members, will get up and talk and say that it is all a charade. These are the levels. It is not a charade, and we will move. But then they have removed one of the good reasons for a third concurrent resolution. The new administration will say exactly how they would want to fashion a particular tax cut, and we included quite a bit of flexibility.

We really have not just given a multiple choice kind of level that was inferred perhaps on the House side when they approached it from an entirely different standpoint. They were talking in terms of cutting a percentage in fraud and waste and mismanagement, and then let the new administration find it.

On the contrary, our particular levels, which were decided back in August—and of course, everybody at that particular time did not think there was going to be this dramatic change in administration or in the Congress—were debated in detail and everything else. The fact that the House arrived through a different

approach to the same levels, of course, is their affair and their way of describing it. But they asked us to join in their description, and we did not because that was not the fact, that was not the case.

So this is not a multiple choice or where to find the fraud or a loose budget or hemorrhaging or what about the deficit or anything else.

Adlai Stevenson once was asked whether he was a conservative or whether he was a liberal. He said, "The important question is am I headed in the right direction."

This is not a conservative budget, it is not a liberal budget, but it heads us in the right direction, cutting back that \$60 billion deficit down to some \$27.4 billion. It cuts measurably on the programs and increases national defense to the tune of \$28.2 billion.

I yield to my distinguished friend or to my distinguished colleague from Colorado.

THE PRESIDING OFFICER (Mr. BOREN). The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I thank the distinguished chairman for yielding.

He caught me slightly unaware. I was caught up in what he was saying about this being neither a conservative budget nor a liberal budget but merely a budget which heads toward balance, and I was somewhat stunned to hear that because it appears to me that just a few weeks ago the Senate adopted a concurrent resolution which was said to be in balance and, in fact, was said to provide for the fiscal year upon which we have now entered a budgetary surplus of \$100 million.

At that time the Senator from Colorado said:

Look, folks, that is crazy. We all know, every one of us in this Chamber knows, that the alleged balance reflected in the budget is not correct.

At the risk of playing out my streak of luck on my predictions, I will make one more prediction: that unless some drastic changes are made in the underlying assumptions on which the present budget resolution is made, there is no way in the world that at the end of the forthcoming fiscal year we are not going to have a budget deficit which is hugely greater than the estimated \$27.4 billion that is reflected in the conference report.

Well, this may be the lame duck session, but I will tell you that this budget is a turkey.

Mr. President, I ask unanimous consent to have printed in the RECORD a tabulation which my staff and I have prepared, a function-by-function analysis of the Federal budget for fiscal years 1977, 1978, 1979, and during fiscal years 1980 and 1981 for the first, second, and third concurrent budget resolutions as they have been adopted by the Senate and the House and the conference committee.

There being no objection, the tabulation was ordered to be printed in the RECORD as follows:

BUDGET HISTORY

[In billions of dollars]

	Fiscal year—			Fiscal year 1980					Fiscal year 1981						
	1977	1978	1979	FCR ¹	SCR ²	Senate TCR ³	House TCR	Conference TCR	Armstrong-Roth	Senate FCR	House FCR	Conference FCR	Senate SCR	House SCR	Conference SCR
Budget authority.....	465.2	501.5	556.7	604.1	638.0	653.7	660.3	658.9	642.8	688.2	694.2	697.0	699.6	689.5	694.6
Outlays.....	402.7	450.8	493.7	532.0	547.6	566.4	571.6	572.65	596.7	613.1	611.8	613.6	633.0	631.75	632.4
Revenues.....	357.8	402.0	465.9	509.0	517.8	528.9	528.8	525.7	596.7	613.2	613.8	613.8	598.3	606.7	605.0
Balance.....	-44.9	-48.8	-27.8	-23.0	-29.8	-37.5	-42.8	-46.95	0	+1	+2.0	+2	-34.7	-25.05	-27.4
Public debt.....	709.1	780.4	833.8	887.2	886.4	895.1	896.7	903.6	927.1	927.7	926.8	935.1	978.6	985.0	978.6
050 National defense:															
Budget authority.....	108.4	117.9	125.0	136.6	141.2	143.7	142.5	143.7	173.4	173.4	160.8	170.5	173.6	171.8	172.7
Outlays.....	97.5	105.2	117.7	124.2	129.9	134.0	134.2	135.7	155.7	155.7	147.9	153.7	159.4	158.7	159.05
150 International affairs:															
Budget authority.....	6.5	9.7	8.6	12.6	13.1	15.2	15.8	15.2	23.3	23.3	24.0	23.6	24.2	23.5	23.85
Outlays.....	4.8	5.9	6.1	7.9	8.4	9.9	10.7	10.5	9.4	9.5	9.6	9.5	10.6	10.4	10.5
250 General science, space, and technology:															
Budget authority.....	4.6	4.9	5.4	5.7	5.9	6.2	6.1	6.2	6.2	6.4	6.7	6.6	6.6	6.15	6.4
Outlays.....	4.7	4.7	5.0	5.5	5.7	5.9	5.9	5.9	5.9	6.1	6.3	6.1	6.2	5.95	6.1
270 Energy:															
Budget authority.....	3.6	8.2	7.4	18.8	39.5	37.9	40.3	38.4	3.5	3.8	7.5	6.7	6.3	5.35	5.85
Outlays.....	4.2	5.9	6.9	6.8	7.3	5.6	6.4	6.4	6.3	6.8	7.1	6.8	7.4	8.15	7.8
300 Natural resources and environment:															
Budget authority.....	9.5	13.5	13.2	12.6	12.6	12.2	12.3	12.6	11.4	11.5	12.0	11.7	11.9	11.9	11.9
Outlays.....	10.0	10.9	12.1	11.7	11.9	12.9	13.2	13.4	11.8	11.9	12.4	12.1	13.1	13.1	13.1
350 Agriculture:															
Budget authority.....	2.4	8.2	9.3	5.0	5.0	5.0	5.0	5.0	5.6	5.6	5.4	5.5	5.5	5.25	5.35
Outlays.....	5.5	7.7	6.2	5.4	2.6	5.9	5.9	5.9	2.3	2.3	2.3	2.3	2.2	2.05	2.1
370 Commerce and housing credit:															
Budget authority.....	5.5	5.3	5.9	6.9	6.8	11.7	11.6	11.7	5.0	5.4	5.1	5.1	5.2	5.3	5.25
Outlays.....	0	3.3	2.6	3.2	2.85	5.5	6.1	6.1	.1	.5	-.1	-----	.5	1.4	.95
400 Transportation:															
Budget authority.....	10.4	15.0	19.2	19.5	19.5	19.7	21.0	20.5	18.4	19.75	22.8	22.1	20.7	21.85	21.3
Outlays.....	14.6	15.4	17.5	18.2	18.6	19.5	20.1	20.2	16.9	18.05	19.5	18.75	19.3	20.05	19.7
450 Community and regional development:															
Budget authority.....	12.8	10.3	10.0	8.9	8.9	8.6	8.7	10.1	8.8	8.8	9.0	8.8	8.7	9.75	9.25
Outlays.....	6.3	8.1	9.5	8.1	8.4	9.1	9.2	9.9	9.2	9.2	9.4	9.2	9.5	11.2	10.45
500 Education, training, employment, and social services:															
Budget authority.....	30.4	22.4	32.6	30.85	30.9	29.3	29.9	29.6	27.4	28.9	33.3	31.7	30.6	32.6	31.6
Outlays.....	21.0	26.5	29.7	30.5	31.0	29.9	30.1	29.9	26.5	28.0	30.7	29.5	29.4	30.25	29.8
550 Health:															
Budget authority.....	40.4	46.5	53.9	58.1	58.8	59.8	59.9	59.8	68.7	70.7	71.5	71.2	70.0	67.1	68.55
Outlays.....	38.8	43.7	49.6	53.7	54.5	56.5	56.5	56.5	59.9	61.7	61.8	61.7	63.6	63.7	63.15
600 Income security:															
Budget authority.....	168.6	180.0	191.9	214.8	218.5	223.0	224.8	224.7	210.3	245.2	252.1	249.5	253.0	244.65	248.8
Outlays.....	137.0	146.2	160.2	183.3	190.0	190.0	191.7	191.6	211.8	218.2	220.1	219.55	228.4	222.7	255.55
700 Veterans benefits and services:															
Budget authority.....	19.1	19.0	20.5	21.2	21.5	21.2	21.0	21.2	21.3	21.85	21.7	21.7	22.6	21.6	22.1
Outlays.....	18.0	19.0	19.9	20.6	20.8	20.5	20.3	20.5	20.8	21.25	21.2	21.2	22.0	21.35	21.7
750 Administration of Justice:															
Budget authority.....	3.6	3.9	4.2	4.2	4.2	4.2	4.3	4.3	4.1	4.3	4.2	4.2	4.3	3.95	4.1
Outlays.....	3.6	3.8	4.2	4.4	4.2	4.4	4.4	4.4	4.5	4.6	4.6	4.6	4.6	4.35	4.45
800 General government:															
Budget authority.....	3.9	4.1	4.4	4.4	4.45	4.5	4.5	4.5	4.5	4.6	4.5	4.6	4.8	4.45	4.6
Outlays.....	3.4	3.8	4.2	4.3	4.2	4.4	4.4	4.4	4.2	4.3	4.6	4.3	4.5	4.35	4.4
850 General purpose fiscal assistance:															
Budget authority.....	9.3	9.7	8.3	8.1	9.05	8.3	8.8	8.55	6.3	7.2	6.2	6.2	6.2	6.75	6.5
Outlays.....	9.5	9.6	8.5	8.1	9.05	8.3	8.8	8.55	6.8	7.5	6.8	6.8	6.7	7.35	7.05
900 Interest:															
Budget authority.....	38.1	44.0	52.6	56.0	58.1	65.5	65.1	65.1	70.4	72.2	72.2	72.2	70.1	73.65	71.9
Outlays.....	38.1	44.0	52.6	56.0	58.1	65.5	65.1	65.1	70.4	72.2	72.2	72.2	70.1	73.65	71.9
950 Undistributed offsetting receipts:															
Budget authority.....	15.1	15.8	18.5	19.7	19.7	22.3	-22.3	-22.3	-25.8	-24.7	-24.6	-24.7	-24.7	-26.9	-25.8
Outlays.....	15.1	15.8	18.5	19.7	19.7	22.3	-22.3	-22.3	-25.8	-24.7	-24.6	-24.7	-24.7	-26.9	-25.8
920 Allowances:															
Budget authority.....														.8	.4
Outlays.....														.95	.95

¹ First Concurrent Resolution.² Second Concurrent Resolution.³ Third Concurrent Resolution.

Mr. ARMSTRONG. Mr. President, I think it is going to make interesting reading for future generations of economists and Senators to see how we have systematically ignored the facts that are so plain about what is happening to our national economy.

Mr. President, this budget, I think, is not heading in the right direction, nor, in my judgment, is it a budget which gives to any significant extent recognition of the true economic condition of this country. It is a "business as usual" budget.

Now, I think we all agree that at some point the Nation's economic situation could, at least theoretically, become suf-

ficiently desperate that extraordinary measures would be necessary; that we might have to address ourselves to cutting even politically popular programs; that even sacred cows would have to take their turn in the tub; that we would have to do things that might be unpopular, unpalatable, and that might even be to the political disadvantage of Senators. We might have to give up on some programs that have been previously thought to be sacrosanct.

I guess the question is if we could agree that at some point the economic condition would justify that. The question is, Where is that point?

I say to the Members of the Senate

that I believe we have reached that point more than a year ago. When we began to have double digit inflation, something that was really unprecedented in the history of the United States, it seemed to me the time for a serious departure from the norm had already come. Business as usual, it seemed to me, should go out the window.

And when double digit inflation was accompanied by rising unemployment, a phenomenon which economists had confidently assured us could never happen, it seemed to me then, last January and even before, last fall when we were considering last year's budget resolution, that the time had come to throw

out the window all of the conventional budgeting wisdom about "You can't touch this program" and "We will never get this through committee" and "The Appropriations Committee will never go for it" and "We will never be able to pass a reconciliation bill" and "The House won't buy it" and "The people won't like it."

It seemed to me then, as it does now, that the time had come to do something that bespoke of the Senate's recognition that the Nation's economy was in serious trouble.

Well, if that was justified then, it is justified now? This week the banks raised their prime rate to 16½ percent. I have not heard what has happened to the mortgage lending market, but my belief is that home mortgage lending has all but stopped in most communities around this country and whether it has or not there is practically nobody who can afford to buy a house at today's mortgage lending rates.

Already we are beginning to see signs that the economic situation is slowing down; the job opportunities that would have been created by new investment, new productive activities are not being created. It seems to me that there is even a possibility that the situation will grow worse before it grows better. Senators could well ask themselves: What is going to be the effect of this budget that we are now preparing to adopt?

I think it is obvious and I think we ought to own up to the fact that this is another in a long series of extraordinarily inflationary budgets.

A few months ago, the Senate adopted, over my objection, I will admit, a concurrent budget resolution for fiscal year 1981 which would have suggested budget outlays for the fiscal year of \$613 billion. That seemed to me to be an unjustified increase. It would have been if we had stuck at \$613 billion, the largest year-to-year increase in Federal spending in the history of this Government. Of course, the increase was so large that it would have dwarfed the entire Federal budget just a few years ago.

Many of us, particularly Senator RORR and I and a number of us on the Republican side of the aisle, offered a substitute that would have held spending below the \$600 billion mark and which would have accommodated a tax cut as well within the context of a balanced budget. That seemed to me to be a good policy.

Unfortunately, on a very narrow vote, we did not prevail. So the Senate adopted a concurrent budget resolution calling for spending \$613 billion.

Today, really just a few weeks later, we are being asked to vote a budget calling for outlays of \$632 billion. Again, all I can say is that is on the conscience of the Senators if they want to support that kind of budget. But the Senator from Colorado certainly does not intend to do so.

While I do not think this is the moment to be unduly political, I want to remind my friends on the other side of the aisle that just before the election, just about a month or 5 weeks before the election, I suggested that the American

people were ready for a change; they were ready for a balanced budget; they were ready for a Congress that would perform its responsibilities and not go home leaving unfinished business to come back in the lameduck session.

One of the prerogatives of the media and of Senators and others who are interested in the public policy is to evaluate elections in terms of their own preconceived notions. We all have our own interpretation of what happened on election day 1980. I am going to tell you what my interpretation of the outcome is.

My belief is that the people of this country were saying they were ready for a fundamental and basic change in the way this Government is being run and in the way this country is being governed.

I am not suggesting for a minute that there were not a lot of other considerations—the personality of the candidates for national office and for the U.S. Senate and for Congress. Certainly those were considerations. Certainly there was an element of luck in the races around the country. But, as I traveled across the country, not as a candidate, but as an observer and spokesman, it seemed to me that the common denominator in talking to people of my own party and of the other party and people who do not identify themselves with any particular political party, is: "We know this is not working. It is time for a change." And when you really talk to them seriously, not in a political setting, but one on one, and ask them, "What is really on your mind? What really troubles you deep down inside? What is the most important thing to you?" The answer that came back over and over again is, "Inflation."

Now, a lot of the Members in this Chamber have tended to act as if inflation were some kind of economic phenomenon that was abstract and that had no real basis in day-to-day life; that it was more the economists' figures, a blip on somebody's economic graph.

From my conversation with people that I have talked to at home in Colorado and all over the country, really, I have reached a conclusion that it is a very human problem and, indeed, it is a tragedy for people who have been forced into unemployment by our rising inflation rate, for the elderly and others on a fixed income who have seen their savings melt away and who have seen 20 percent of the value of what they have saved over a lifetime melt away just in the last 12 or 14 months. It is a tragedy for young couples starting out who cannot buy a home and who do not even have a reasonable prospect, over a number of years, to be able to afford a downpayment, let alone the interest rates.

I have talked to people. They have a lot of different concerns. But the one that comes back over and over and over again is, "We have to do something to get prices under control. We have to control inflation."

Now, there are a lot of theories about what causes inflation. I have heard all kinds of explanations right here on the floor of this Senate. But I think it is time that we come to grips with one es-

sential fact. While there is a lot of economic problems in America, the main, principal, primary cause of inflation is excessive Federal spending.

A lot of Senators have tried to avoid looking that fact square in the eye. I have heard it is the OPEC nations and the rise in oil prices. That is what really causes inflation. Tell that to the people in Japan and Germany, where they get nearly 100 percent of their oil from OPEC nations and international sources. They are not having the kind of inflation we are having in this country.

I have heard that it is the big business that is driving up the price of things and that that is the cause of inflation. Yet, if you look at the after-tax, after-inflation earnings of the corporations of this country, large and small, you will find that their earnings have been declining, not rising, in recent years.

And then there are some who say, "Well, the real culprit is organized labor. It is the big unions. They are gouging the people of this country."

Well, if you look at the after-tax, after-inflation earnings of the working men and women of this country, you will find they are not profiting by this inflation. Their earnings are going down, not up.

The only institution or agency or group that I know of that has consistently benefited from the inflationary spiral in this country, that has taken a windfall profit from inflation year after year, is the Federal Government. I will not bore you with an economics discussion today. We have heard it all before. But it is my conviction that it is clear from the record, not just from theories, not just from rhetoric, but from the actual record in recent years that what is causing inflation are the Federal budget deficits which we have run up.

Mr. President, does it matter if we end this session with just one more budget deficit in a long string? After all, we have run up nearly \$1 trillion in national debt in recent years, half of it just in the last 4 or 5 years since we established and began to implement the budget process. So what is another \$27 billion that is called for in this budget resolution?

Does it make any difference? Does it make any difference if we run up another big deficit, even if it is more than \$27 billion, as I suspect it will be, unless we change underlying economic assumptions and some of the programs that are reflected in this budget?

Mr. President, I am convinced it does make an important difference whether we adopt this budget or whether we make a serious effort to trim the deficit that is reflected in here. This budget deficit and the explanation which accompanies it reminds me of nothing so much as a man who is grossly overweight and says, "I am going to go on a diet tomorrow, but tonight I am going to have a hot fudge sundae for dinner."

I speak as one who has been there. There was a time in my life when I was grossly overweight, and I will confess I am a little overweight today. But I will tell you something, you can never get down to your fighting weight by con-

stantly overindulging. That is what we are doing. This is just the one more instance of overindulgence. It is just one more example of the excesses of this Government.

It seems to me that in the light of what happened in November it is so unnecessary. The people have spoken. They have sent us a message. It was not just in the election.

I pointed out a few moments ago the results of a CBS news poll taken in April of this year which found that 60 percent of all Americans not only favored a balanced Federal budget but favored a constitutional amendment to require a balanced budget and require that it be kept in balance.

I have seen polling data from a number of States around the country and the proportion of citizens who favor such an amendment to absolutely take our discretion away from us in the Congress exceeds 80 percent. The public is ready for such a reform.

Here we are in the waning days of this session—and I trust we are at least in the waning days of the 1980 session—and we are sending them another excessive budget deficit. I cannot see that the adoption of this Budget Resolution shows the slightest sign that we are heading in the right direction, because we are increasing the budget deficit; we are not lowering it.

I can see that after months and years and even decades of extravagance that it might be impossible, even in the light of the political earthquake of November 1980, for us to balance the budget in a single stroke. We all know that could well be the case, although I for one do not necessarily concede that is true. It could be the case.

Why are we heading in the wrong direction? If we could come with budget spending totals or outlays of \$613 billion just a few weeks ago in mid-June, why are we now saying that we cannot do with less than \$632.4 billion?

Mr. President, I want to make a few additional points before I close out my thoughts on the budget resolution, the process, and the state of the economy.

First, I understand and honor the determination of those who are interested in national defense to raise spending for the defense of this country. I am convinced that that is absolutely essential. I favored increases and large increases in defense spending. I expect to do so again next year.

I think to pay the price of a deficit such as is encompassed in this budget in order to get a relatively modest increase in defense spending is far too high a price. I will just remind those who share the same heartfelt concern that I have for national defense that ultimately the security of this country does not depend on weapons alone. Certainly, we must have a strong military power. But it depends as well upon the state of our economy. When we have inflation in the double digits, when we have interest rates at 16, 17, 18, 19, 20 percent, as we have had in recent months, we are weak, no matter how many bombs, tanks, and airplanes we have. We are weak. The Russians know

it, the Atlantic alliance knows it, the Orient knows it, everybody knows it, and we know it here at home.

Second, I honor and share the opinion of those who say we have to have a tax cut. In fact, I think we all know that a large number of those who voted for this Budget Resolution yesterday would never have done so had it not been for the prior adoption of an amendment by Senator Dole and Senator Roth calling for a tax cut.

Some of you may remember that I have been beating the drum for a tax cut around this place for so long that probably there is nobody in the room who can remember when I was not arguing in favor of a tax cut. I believe in it. I think it is important. I think it is critical. I think it is far too high a price for a tax cut to go for a deficit like this.

A tax cut, a responsible tax cut, the kind of tax cut which I presume the Reagan administration will call for and favor and pass early next year, will be a tax cut which will not be inflationary because it will be accompanied by corresponding spending reductions.

Again without being too political, let me remind my friends on the other side of the aisle that that is exactly the proposal which Republican members of the Senate Budget Committee laid before the committee and voted for unanimously when last we met in committee to consider the budget resolution. If the whole Senate had adopted it, I daresay it might have had a different effect on the election. But, instead, the majority party insisted on carrying forward with their program of spending and no tax cuts and deficits.

Well, then, is it justified to my Republican colleagues, since we have a tax cut in this, to vote for this report with its deficit? That is a decision each Senator must make. Those who voted for it yesterday should note that in conference the conferees have given away approximately half the tax cut. So if it was a good bargain to trade a tax cut for this huge deficit yesterday, I would invite all Republican Senators to take a look at it and see whether or not they still think it is such a good deal after the amount of the tax cut has been severely cut.

I want to say to my friends who are concerned about the budget process, and I am deeply concerned about the process by which this country's budget is developed, that they do no favor to that process by voting for this budget, although I know there are some who in all sincerity feel that is the case. They feel we are kind of at the end of a session and we have to pass some kind of budget resolution; that it would be a catastrophe if we did not pass the resolution, no matter what is in it; that we have to have some kind of resolution because if we do not we have so seriously jeopardized the process that we will never be able to put it back together again.

I want to tell you as one who expects to be on the Budget Committee next year I do not think my job is to save the process. I think the process has been dashed. I think my job as a Senator, as a member of the committee next year, is to start a

new process and not a budget process that is going to produce another string of deficits. I do not want to institutionalize a process which has put on the backs of the taxpayers and citizens of this country hundreds of millions of dollars of new national debt within the last 4 or 5 years. I do not think we are doing them any favor to do that.

Last but not least, Mr. President, I want to recall a speech that some of the Members of this Chamber heard last night from one of America's most distinguished citizens, who talked informally but with great perspicacity about the future of this country. He talked about the need for an optimistic outlook. He talked about the need to establish new traditions. He talked about the need for fiscal responsibility, and a lot of other subjects in a way that reflects great understanding of what makes this country great and a tremendous leadership ability.

He summed up his remarks by saying, and I am not quoting exactly but I think I am quoting his thought with great precision, the important thing is that we be true to our own ideals.

Let me just address that thought to my Republican colleagues because this is an observation that was made at a Republican meeting. Let us be true to our own ideals. Whether we carry today or not, whether the budget resolution passes or fails, let us be true to our ideals. Let us vote this down. If we do, then it goes back to conference and we get another whack at it and we get another chance to try to curb the budget deficits in here.

I remember when someone said if we rejected the SALT treaty, the Russians would never again negotiate. As soon as I sit down, someone will stand up and say, "If you kill this budget resolution, we will never get anything out of the House."

It is instructive that as soon as Ronald Reagan was elected to the White House, the Russians said they would take another look at SALT.

If we turn down this budget resolution and go to the House full of determination that we are going to curb the excesses and cut the deficit, they will take another look at it with us.

Mr. President, I think we ought to kill this budget resolution, negotiate again with the House, get something better if we can, and, if not, in my judgment, it would be better to go home with no budget resolution than to pass this monstrosity of an inflationary, business as usual, turkey of a budget.

Mr. President, before I am seated, may I inquire, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. ARMSTRONG. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. Mr. President, I do not want our distinguished friends to leave the floor without a few of the comments being corrected, in the sense of cutting the tax cut, for example.

The fact of the matter is that we did not cut the tax cut. We adjusted it realistically. The House had passed one particular measure, effective in July. You can take their approach or you can take our approach, which was that it would not be passed until April 15, with a retroactive effective date. That is how we came out with the same thing.

We have stated in our opening remarks, and that is the fact, that we did not cut the possible reduction in tax liabilities.

What is really disturbing is, the Senator from Colorado is a very responsible Senator, and he did not sign the conference report, but I am not surprised; he was not at the conference. We discussed this and this kind of statement should not be made lightly.

It is disturbing to me that, as responsible a gentleman as he is, he goes on and starts talking about turkeys, the whole thing is a sham and a fraud and a charade. The truth of the matter is that the Senator from Colorado and the Senator from South Carolina sought a change, are ready for a basic change. I agree with him.

I was very, very interested in his expression, over and over again, that the people were interested in inflation. That is what I tried to tell the Senator from Delaware. That was my argument. We put in a tax cut for 1982, but we are trying first to get on top of the inflation now and we did not want to go to that across the board type of tax cut. It is not that the Senator is for a tax cut and I am against. It was the timing, particularly, of personal income that we were trying to forego until 1982, not overpromising ourselves. Because that would be inflationary.

All the economists, Alan Greenspan right on down the line, have told me, told the Senator from Colorado and told everybody else, so I saw it over and over, that inflation was a human problem and a tragedy.

Then the distinguished Senator came along and started talking about how he was for a tax cut. It is like Bossie the cow giving a full pail of milk and then kicking it over. I thought we were in lockstep for a while.

I say to the Senator, let us go to just exactly what did occur in defense between that balanced budget and this \$27.4 billion deficit. I broke down those figures, because all interested in the process would like just exactly a breakdown of what happened between June and November. And, incidentally, I think it ought to be emphasized that we are only about 3 days off last year's schedule. We are about to pass the second concurrent resolution. With a national election and with all that dramatic scene, it took us until the 19th. Last year, it was the 16th or about that date. So we are not behind schedule.

Between June's first concurrent and November's second concurrent, defense went up \$5.4 billion. Outlays went up \$1.6 billion due to inflationary costs. These are the things that caused this \$27.4 billion deficit. Defense \$5.4 billion, the inflation \$1.6 billion.

Unemployment and the other things to do with the effects of a recession—whether it be trade adjustment assistance, unemployment compensation, or anything else like that, when you get that additional 0.5 percent more, rather than the 7.5, there is 8 percent unemployment—added \$7.6 billion. The tax cut has a deficit impact of \$10.1 billion. Then all others, and we discussed those matters, the few that were added on to the tune of \$2.7 billion including the Eximbank and SPRO.

So, that is not radical, fraud, or who hid the figures, or we have too many spendouts, or it is hemorrhaging, or we do not know. We worked very diligently on this entire process.

I will say to the Senator that I will be working with him to get on top of the inflation. Now that he has landed as Pilgrim ARMSTRONG on the shores of leadership, and he gets this turkey. I want to see how he carves it. Beginning now. Tip O'NEILL said he is going to give President Reagan 6 months. The Senator from Colorado does not get that. He gets from November to January. He gets about 2 months. He has about 2 months and his honeymoon is over from there on. It is going to be a Republican Senate. What will that Republican Senate crowd do? They have the President, they have the control. The Senator from Oklahoma ought to come back. I cannot wait for my 2 months to be over with so I can get on the other side and start cutting.

They carved out one part of COLA, but did not carve it out completely. Revenue sharing and those other things—those are the carvings on this turkey that the Republican Senate will have to deal with. I do not want to lose my good friend, Senator DOMENICI—he should not wince and wrinkle up so. When you get the best—and Senator ARMSTRONG is very conscientious and works very hard and attends our hearings. We are going to need his help and everybody's help.

This is not partisan inflation. I think very truly that the American people looked at President Carter and the administration, they trusted him, but it did not work. It did not get us on top of inflation. Now we are going to try President Reagan. We cannot just keep trying, in and out. All these descriptive headlines. We all have to work together to carve this turkey up. But it is being carved, and we did that—we held the line. We held back some on all of these matters. We did not go with a hemorrhaging budget.

We have added it up here: the inflation, the unemployment, tax cut, defense add-ons. Those are the things that constitute that \$27.4. And we are a consummate political body and we have to go along with the majority. I could write a budget that would suit me and the Senator from Colorado could write one to suit him, but we have to work together on this thing.

I yield to my colleague from Oklahoma.

Mr. BELLMON. Mr. President, I have to confess some major reservations about what has happened here. As the Members know, I voted against the resolu-

tion yesterday, for the first time since I have been involved in the budget process. I attended the conference yesterday. Frankly, I think the budget we brought back from conference is better than the budget that cleared this body, because we did reduce the size of the deficit substantially by reducing the tax cut that will undoubtedly be passed next year.

I should like to call the attention of the Senate to the fact that on page 30309 of the CONGRESSIONAL RECORD, we have a 3-year budget sketched out for this and future Congresses which shows the deficit in fiscal year 1981 is expected to be \$27.4 billion, but in fiscal year 1982, the deficit is expected to rise to \$37.5 billion. We are not dealing with just a 1-year deficit, but 2 years.

When you look out to fiscal year 1983, the deficit is expected to be \$11.2 billion. This is assuming that we do go ahead with the tax cut and the revenues are adjusted downward accordingly. So this is not just a tax cut that affects 1981. It affects 1982 and also 1983 and future years and gives us an expected deficit for the 3 years of well over \$50 billion.

To add to the problem, there are many spending proposals in our budget that, in my judgment, are underfunded. I want to list some of these for the record. First, we have already passed appropriation bills—already dealt with them—that give us an average of \$2.5 billion, more than the budget allows. I am not sure the Members realize that. The bills we have already dealt with are \$2.5 billion over the budget. In addition, the cost of interest is very likely overstated. If you assume 2.6 percent interest, which is less than the going rate, we are understating interest costs by \$1.7 billion.

Entitlement programs are running \$2.5 billion more than the budget states. There was inability to get full savings from reconciliation. We anticipated \$6.4 billion; it looks like \$2 billion less than that. That has to be added to the likely deficit.

In addition, there is likely to be spending for public savings and loans of at least a half billion dollars, perhaps twice that.

Then the disaster assistance program is likely to cut at least \$1 billion more than the budget anticipates.

The terms of the Penn-Central court settlement, if we pass only half of that in 1981, will cost \$1 billion.

So that totals \$11.15 billion more deficit than we have in the budget. If we add that to the \$27.4 billion, we come up with \$38.5 billion, not \$27.4 billion. Then, of course, we need to add those same calculations to the totals, giving us the total for 3 years of well over \$60 billion.

So while we have tried hard to get a handle on Federal spending, and we have done some good, I have to confess to great frustration as I leave the Senate and will no longer be part of the process.

I think we could have done much better. Everyone has his own targets to see us reduce. But there are some savings.

We have reduced highway obligation authority by \$.7 billion, the CETA is cut by \$.9 billion, on food stamps we antici-

pate saving \$5 billion, although I doubt that will ever happen.

We made some savings in nutrition programs of \$5 billion. Disaster assistance is less by some \$6 billion than expected, and there are savings in Federal retirement pensions, although, again, that is somewhat questionable.

So we tried hard. We have not done as well as I think we should have done. I believe the country is far more desirous of bringing inflation under control than of getting some relatively insignificant and quickly lost benefit from a tax cut.

We did a poll in a newsletter put out from my office to my constituents in Oklahoma. To my amazement, there were only 10 percent to 11 percent who wanted a tax cut to almost 90 percent who wanted the budget balanced.

I think we would get the same reaction nationwide.

So I believe the Congress has made a mistake in reading public attitudes.

I think, particularly, Republicans are wrong in pushing so hard for a tax cut that will be paid for with borrowed money, that will simply increase interest rates and increase inflation, and a tax cut quickly lost so far as any value to taxpayers because of inflation, due to deficit, will quickly eat up any benefits.

I am convinced we are on the wrong track. I also have to admit, as the chairman said, we live in a real world and have to work out what we can.

We have done the best we could in conference and on the floor, even though I have not supported most of the amendments that have been adopted.

This is the will of the Senate and I, at this point in time, intend to support the conference report. I urge my colleagues to do likewise.

Mr. DOMENICI. Will the Senator yield me 5 minutes?

Mr. HOLLINGS. Surely.

Mr. DOMENICI. I do not have a lot to say today. It is obvious that I am going to support this. I think we ought to pass the resolution. I could almost stop at that.

I do not think it is as good as we can do, but everything that any of us could think of has been tried.

I believe it is obvious that in the next 3 or 4 years we have to do much better. But I do not think this is the final word, even for 1981.

I am positive there will have to be major revisions to cut spending early in the spring. I am equally confident, and on this I hate to disagree with my good friend from Oklahoma, but I think there are going to be revisions to cut taxes in the spring. I do not think the amount we put here by way of reduction of the revenue will be adequate.

On that score, I also disagree with my friend from Oklahoma, because the poll says that our people want a balanced budget and not a tax cut. If we asked them, would they like to see us moving down a path that will bring a balanced budget in 2 or 3 years and provide for a significant tax cut, multiyear in nature, that will cause America to reindustrialize and become competitive. I wonder how they would answer that; or how they would answer if they would like to have

a balanced budget at the highest level of taxation in history; and would they like it to stay that way for a long period of time, with the highest level of taxation?

I think the answers would be different.

But I do not think those issues are terribly relevant today.

I am not going to argue about protecting the process. I will merely say that if we do not pass this, we will have to expect worse. There will be no discipline. This is a minor disciplinary mechanism. But if we do not have a budget resolution, there will be none.

My good friend from Oklahoma indicated the appropriation bills are already over. Everyone knows they have not violated the budget because there is not any way to enforce these individual bills. We have to wait until all are in and see if the last one breaks the budget. The last one will break even this budget. But if there is not a budget around, there will not be anything to even lodge a point of order, the only disciplinary tool we have, at the tail end here. There will not be that when the last appropriation bill comes through early next year.

That means we are not going to be able to say, "Go back and change the appropriation process."

We will have passed them all with no discipline other than each person arguing that it was not his bill that broke the budget, much like the same muddle we were in before we had the process.

It seems to me this resolution is our best and last hope to carry out, down the line, in a few months, budget-cutting mandates that the people of this country gave us a couple of weeks ago. We can start with the cumulative totals and if Congress collectively, and the new President, come up with additional calls for cutting, hopefully we can and we probably will have a third resolution.

I am hopeful that will be historic and it will come in less than this. That would be historic. We have never had one.

But there are those who feel we can cut next year with recommendations from the new President that, maybe, Congress will be more responsive to.

The truth of the matter is that the collective Congress, the U.S. House and the U.S. Senate, does not want to cut this much. All we can do is give them the guidelines, have a few technical tools, and then use the power of persuasion.

I would prefer a lower spending. I will work for that.

I am hopeful in the next 3 years, as my good friend, the present chairman, indicated, we can work together, and, with the new White House, start a new path of lower spending each year for the next 3 or 4 years. That is not the case today.

We can look forward to that. There is nothing here to keep us from doing it. If we are really serious, we can do it.

We already have a job, and Senator BELLMON is right, of cutting \$11 billion that does not fit in this budget, that somebody will have to cut that, if I understand my good friend from Oklahoma.

We figure that without any changes in

the law, this figure is too low. That means we already have our work cut out for us next year.

I repeat, for those who wonder why the budget process does not do it, the only tool we have at this point is to wait until the last appropriation bill finds its way to the floor, add up all of those that went before it, and then we can lodge a point of order.

There are no other tools. It is hoped that in the future we can write some tools of implementation into each resolution. But, more important, perhaps the Senate will have come to the party and the new chairman and new makeup will decide that they want to live within the budget instead of trying to find ways to break it. In the past, everyone has said they are living by it, knowing full well that down the line they are going to find a way to escape.

That is the attitude that has to be changed. We have to find a way to get the appropriators, the Finance Committee and all the other committees that have laws in their jurisdiction of spend-out, to set in motion a desire to make the totals in the budget work. They cannot even tacitly be part of saying, "We will do what we can, but 4 or 5 months from now, we will have to have more supplementals; we will have to change the budget resolution because it is going to be broken." That kind of attitude has to be changed or we will not be an effective process.

I urge those who supported this resolution to do so again, not because we are proud of it, not because it represents a good, sound economic policy. It represents the best that can be done with the policies in place. If the policies have to be changed, I hope we will all be part of the changing policies, including the policy of the U.S. Senate collectively to attempt to make the individual functions work in the budget, rather than what has occurred in the past.

So, denying this budget resolution its effectiveness will not change the policy of this country. What will change it is when this institution and its leaders work with the new President and make a joint effort, a sort of collegial effort, to live within the first budget resolution we came up with, in a dedicated and collective manner, and to set new current policy notions in the first resolution next year, both as to taxation and levels of expenditure and, it is hoped, leave enough for a trend line which will permit military to increase somewhat, but as to the rest of the combined domestic budget, to begin to cut its inordinate growth.

I thank the chairman of the committee for yielding, and I yield the floor.

Mr. EXON. Mr. President, I rise in hesitating support of the conference report.

This Senator, a member of the Budget Committee, who has fought hard for spending reductions and a balanced budget as our primary deterrent against this Nation's No. 1 economic ill, inflation, will continue to do so in the future.

I voted against the budget reported by the committee after our latest delibera-

tions. That was because I felt that it involved too much in spending and was not balanced, primarily because of the ills of the current recession.

Yesterday, on this floor, I opposed the further ballooning of the deficit by at least \$17 billion with the infamous, successful adoption of the Kemp-Roth superinflationary tax cut amendment. I label Kemp-Roth as "superinflationary" because, in my opinion, it is. It is supply-side economics running wild, without corresponding necessary spending reductions which have been wished away in the political tide of reducing taxes, much as this Senator would like to see taxes in selected areas reduced, as I outlined yesterday.

Mr. President, I was a member of the conference committee on the budget, and I am hesitatingly going to vote for the conference report, only because there is no workable alternative. Not to accept the proposal before us would be the first step to signal the death knell of the budget process.

While spending remains too high, we were successful in the conference late yesterday afternoon in reducing spending further by \$600 million and paring the anticipated deficit by \$7.3 billion. These are beginnings of restraint, but we still have a long, long way to go.

Mr. President, without impairing anyone's motives, I am puzzled by what appears to be, at best, some inconsistencies in the voting patterns of some of my colleagues. Yesterday, there were many who not only voted for the politically attractive tax cuts that increased the deficit and therefore future borrowings by the Federal Government, to the point that we soon will break through the \$1 trillion national debt ceiling and thereby place further upward pressure on the prime interest rates, but also then turned around and exercised great political courage by voting against the final passage of the budget resolution which carried their tax cutting amendment.

I am not questioning their motives, Mr. President, but I question their understanding of the budget process and how it works.

I suggest that, possibly in some isolated instances, they may still be in practice the old and not yet wornout political game of negative politics that sells well back home but, in my opinion, does not make much sense in responsible lawmaking.

Mr. President, the budget embodied in the resolution, in my opinion, is too high. It embodies the Kemp-Roth inflationary tax cut proposal. I had opposed this budget at all levels as being too high in expenditures and too high in deficits, although, fortunately, I should add, the projected deficit of this budget is about one-half of the deficit for last year.

I have every reason—and the well-documented legislative history—to vote against acceptance of the conference report. Yet, I have great respect for the Budget Committee chairman, Senator HOLLINGS, as well as the ranking minority member, Senator BELLMON, and the incoming chairman of that committee, Senator DOMENICI.

They are right in their opinion that this is all we have and the best we can do under the climate of existing circumstances and the conflicting votes of many Members on the issues that affect the final figure.

Therefore, Mr. President, I suggest that the responsible and courageous vote is to support the position of the floor managers, even though I do it with regret, and I urge my colleagues to support adoption of the conference report.

Mr. President, we shall have opportunities to reduce the budget further and to address any flaws in the process after hearing the detailed plans of the new President in January. The budget process is the best protection for the future, and we can best protect that vehicle if we vote "aye" on the conference report.

Mr. HOLLINGS. Mr. President, I have a few comments before we move to the vote. A distinguished visitor is about to be with us.

The real growth rate in the 1980-81 budget in defense is 4.6 percent. Non-defense actually was reduced minus 1.7 percent and minus 0.2 percent as the general overall total. That gives the exact percentages as to the entire budget.

In drawing this budget resolution debate to a close, I wish to reiterate sincerely the admiration I have for the distinguished Senator from Oklahoma. I am speaking for myself, for former Senator Muskie, and for all of us who worked intimately on the budget process during the last 6 years, since we passed the budget resolution legislation.

If there has been any success it is due in large, large measure to HENRY BELLMON of Oklahoma, and the country is really in his debt because we go back and forth, we try to get the debates, people take intransigent positions that "I will not sign the report," and it is not easy as observed on yesterday here when we only got the resolution out by 48 to 45 vote, but within it all the person who was the guiding light and inspired us all and put us on an even keel and reminded us that we had a process that was important to the welfare of the country was Senator BELLMON.

I think this is going to be his last resolution, and I did not want to just hasten with a calm or casual comment, but I very, very sincerely admire him, and we are really indebted to him.

Mr. CRANSTON. Mr. President, although I voted for the budget conference report on the second concurrent resolution for fiscal year 1981, it was with several very serious reservations. First, I would like to express my reservations concerning the budget levels for function 700, veterans' benefits and services. I believe that those levels may well prove to be inadequate to assure adequate funding for the Veterans' Administration programs during fiscal year 1981. As agreed to by the Senate yesterday, the resolution provided for overall function 700 levels of \$22.6 billion in budget authority and \$22.0 billion in outlays. The amounts in the conference report agreed to today—\$22.1 billion in budget authority and \$21.7 billion in outlays—would reduce those amounts by \$500 million in

budget authority and \$300 million in outlays. Because legislation affecting the VA entitlement programs—to authorize cost-of-living increases in service-connected disability compensation and GI bill benefits—has already been enacted this session, the burden of keeping VA spending within the budget limits would fall almost entirely on the so-called discretionary spending accounts, the largest of which are the VA health-care, construction, and general operating expenses appropriations accounts.

Fortunately, the lump-sum cross-walk allocation that is made to the Appropriations Committee under section 302(a) of the Budget Act leaves that committee and the Senate with discretion to readjust the spending priorities implicit in this resolution in order to provide adequate funding for the essential, high-priority VA programs funded under these accounts, and I am confident that adequate funding will be provided for these programs in the appropriations process.

Thus, I wish to make clear my position that in voting for the resolution I do not endorse or support the suggested limits for function 700 that it contains, and I will continue throughout the remainder of the current fiscal year to work to insure that veterans' programs receive sufficient funding to enable the VA to continue to provide quality health care and other services responsive to the needs of eligible veterans, dependents, and survivors.

While I support the adoption of a tax cut, I do not favor the Kemp-Roth proposal or the assumption made by the budget resolution that a huge tax cut should be included in the budget without knowing the nature of the tax cut we are approving. If the policies embraced by this budget are fully carried out, I believe the result may be a substantial increase in the rate of inflation. I supported the conference report because I believe the continuation of the budget process is important, and because within the spending ceiling and the revenue floor we will have an opportunity to tailor less inflationary legislation.

Mr. HOLLINGS. Mr. President, the yeas and nays have been ordered. I move the adoption of the conference report.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HOLLINGS. All time is yielded back.

Mr. BELLMON. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the conference report.

On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from North Dakota (Mr. BURDICK), the Senator from Nevada (Mr. CANNON), the Senator from New Hampshire (Mr. DURKIN), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Connecticut (Mr. RIBICOFF) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Utah (Mr. HATCH), the Senator from California (Mr. HAYAKAWA), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), and the Senator from South Dakota (Mr. PRESSLER) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 50, nays 38, as follows:

[Rollcall Vote No. 478 Leg.]

YEAS—50

Baucus	Gravel	Nunn
Bayh	Heinz	Packwood
Bellmon	Hollings	Pell
Bentsen	Huddleston	Randolph
Biden	Inouye	Sarbanes
Bradley	Johnston	Schweiker
Byrd, Robert C.	Kassebaum	Stennis
Chafee	Kennedy	Stevens
Chiles	Levin	Stevenson
Cohen	Long	Stone
Cranston	Magnuson	Talmadge
Culver	Matsunaga	Thurmond
Dole	Melcher	Tower
Domenici	Mitchell	Tsongas
Exon	Morgan	Williams
Ford	Moynihan	Young
Goldwater	Nelson	

NAYS—38

Armstrong	Glenn	Proxmire
Boren	Hart	Pryor
Boschwitz	Hatfield	Riegle
Bumpers	Heflin	Roth
Byrd	Helms	Sasser
Harry F., Jr.	Humphrey	Schmitt
Church	Jackson	Simpson
Cochran	Jepsen	Stafford
Danforth	Leahy	Stewart
DeConcini	Lugar	Wallop
Durenberger	McClure	Warner
Eggleton	Metzenbaum	Weicker
Garn	Percy	Zorinsky

NOT VOTING—12

Baker	Hatch	Mathias
Burdick	Hayakawa	McGovern
Cannon	Javits	Pressler
Durkin	Laxalt	Ribicoff

So the conference report was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator from South Carolina (Mr. THURMOND).

VISIT TO THE SENATE BY GEN. OMAR NELSON BRADLEY, GENERAL OF THE ARMY

Mr. THURMOND. Mr. President, I have the singular and high honor this afternoon of welcoming to the U.S. Senate that distinguished American and great soldier, General of the Army Omar Nelson Bradley.

Our history books are filled with the heroic deeds and truly great leadership of General Bradley during the crucial days prior to, during and in the years after World War II.

It was during his period as Commander of the First U.S. Army that I had the distinct privilege of serving on his staff in Europe. This service continued when he assumed command of the 12th Army Group, European Theater of Operations, which included the First Army as one of its major commands.

Our people are truly indebted to General Bradley for the leadership he exhibited during World War II, the most critical period of our Nation's history. In my opinion he was the greatest combat general to have served in the European Theater during those crucial and trying days.

Mr. President, General Bradley is a native of Missouri and has served in the Army longer than any soldier in the history of our Nation. Not only is he the Army's only surviving 5-star general, he was 50 years old when he received his first combat command. After leading the invasion at Normandy which led to victory in Europe and the end of World War II, he returned home to become the administrator of Veterans Affairs. In 1948 he was called upon once more to serve the Nation and the Army as the Army Chief of Staff. In 1950, General Bradley was nominated by President Truman for a fifth star as General of the Army. As a 5-star general, General Bradley does not retire and is still proud to be on active duty which began more than 69 years ago. As a reflection of that service he takes pride in wearing the uniform and visits with soldiers at Fort Bliss on a regular basis.

Mr. President, typical of his optimistic outlook on life is a comment he made recently to young officers who were complaining that it now takes too long to get promoted. There is no reason for the younger officers to complain, he explained, using himself as an example. "I have 30 years time in grade," he said, "and no chance for promotion."

The soldier's general, as he was called during World War II, will be fondly remembered by the American soldier and the public for his abiding concern for the welfare of the individual soldier. General Bradley, we applaud you. We appreciate your devoted wife and everything she has done for your welfare.

Mr. President, I ask unanimous consent that a résumé of General Bradley's unique military career be printed in the RECORD.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

RÉSUMÉ OF SERVICE CAREER OF OMAR NELSON BRADLEY, GENERAL OF THE ARMY

Date and place of birth: February 12, 1893, Clark, Missouri.

Years of active commissioned service: Over 69.

Present assignment: Assigned to Office, Chief of Staff, Department of the Army, Washington, D.C. 20310, since August 1953.

Military schools attended:
The Infantry School, Advanced Course.
United States Army Command and General Staff College.

The Army War College.
Educational degrees:
United States Military Academy—BS Degree—Military Science.

Major duty assignments since 1941:
Commandant, The Infantry School, Fort

Benning, Georgia, from March 1941 to January 1942.

Student, Command and General Staff School, Fort Leavenworth, Kansas, from January 1942 to February 1942.

Commanding General, 82d Infantry Division, Camp Claiborne, Louisiana, from February 1942 to June 1942.

Commanding General, 28th Infantry Division, Camp Livingston, Louisiana, and Camp Gordon Johnston, Florida, from July 1942 to February 1943.

Commanding General, II Corps, North Africa, from February 1943 to September 1943.

Commanding General, Field Forces, European Theater of Operations, from September 1943 to December 1943.

Commanding General, First United States Army and First United States Army Group, later Commanding General, Twelfth Army Group, European Theater of Operations, from January 1944 to July 1945.

Administrator of Veterans' Affairs, Veterans' Administration, Washington, D.C. from July 1945 to November 1947.

Chief of Staff, United States Army, Washington, D.C., from February 1948 to August 1949.

Chairman, Joint Chiefs of Staff, Department of Defense, Washington, D.C., August 1949 to August 1953.

Promotions, dates of appointment, temporary, and permanent:

2Lt., 12 June 1915.
1Lt., 13 October 1916.
Cpt., 22 August 1917.
Maj., 27 July 1918, 29 November 1920.
Cpt., 4 November 1922.
Maj., 27 June 1924.
Lt.C., 22 July 1936.
B.G., 24 February 1941.
M.G., 18 February 1942.
Lt.C., 9 June 1943.
Col., 13 November 1943.
B.G., 31 May 1944.
M. G., 16 September 1944.
Gen., 29 March 1945, 31 January 1949.
Gen. of the Army, 22 September 1950.
U.S. decorations and badges:
Defense Distinguished Service Medal.
Distinguished Service Medal (with 3 Oak Leaf Clusters).
Distinguished Service Medal (Navy).
Silver Star.
Legion of Merit (with Oak Leaf Cluster).
Bronze Star Medal.
Combat Infantryman Badge.
Source of commission, USMA:
As of October 18, 1980.

Mr. ROBERT C. BYRD. Mr. President, under the rules, I cannot call attention to the presence of anyone in the gallery.

Mr. President, I ask unanimous consent that following a brief recess, the Senate proceed—this has been cleared with the other side of the aisle—to the consideration, for not to exceed 5 minutes, of H.R. 6933, the Patent Procedures Act. I ask unanimous consent that the recess not extend beyond 5 minutes.

Before the Chair puts the question, I know that Senators will want to greet General Bradley. He is in the Capitol today. He was here 5 years ago, at which time the Senate recessed and Senators met this great man, many of them having met him prior to that occasion. He is one of the outstanding generals, in my judgment, in American history of all time.

I suggest that Senators may wish to go to the Reception Room.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. STEVENS. Mr. President, I certainly join with the majority leader in urging Members of the Senate to pay their personal respects to one of the greatest Americans of all time who is in the Capitol today. I hope that we will all accord him the courtesy that he is justly due.

RECESS FOR 10 MINUTES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the recess extend for 10 minutes.

There being no objection, the Senate, at 2:49 p.m., recessed until 2:59 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. SARBANES).

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FOR 30 MINUTES

Mr. ROBERT C. BYRD. Mr. President, since an order has already been entered for the Senate to proceed to the consideration of H.R. 6933 for not to exceed 5 minutes, I ask unanimous consent that, upon the disposition of that measure, the Chair declare a recess for 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PATENT AND TRADEMARK LAWS AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of H.R. 6933.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 6933) to amend the patent and trademark laws.

The Senate proceeded to consider the bill.

UP AMENDMENT NO. 1779

(Purpose: To add the University and Small Business Patent Procedures Act to the bill)

Mr. DOLE. I send to the desk on behalf of the distinguished Senator from Indiana (Mr. BAYH) and myself an amendment in the nature of a substitute and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Indiana (Mr. BAYH), for himself and Mr. DOLE, proposes an unprinted amendment numbered 1779.

Mr. DOLE. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause the patent for resolution of the question. The patent owner will be given a reasonable period, not less than two months from the date a copy of the determination is given or mailed to him, within which he may file a statement on such question, including any amendment to his patent and new claim or claims he may wish to propose, for consideration in the reexamination. If the patent owner files such a statement, he promptly will serve a copy of it on the person who has requested reexamination under the provisions of section 302 of this title. Within a period of two months from the date of service, that person may file and have considered in the reexamination a reply to any statement filed by the patent owner. That person promptly will serve on the patent owner a copy of any reply filed.

That title 35 of the United States Code, entitled 'Patents', is amended by adding after chapter 29 the following new chapter 30:

Chapter 30—PRIOR ART CITATION TO OFFICE AND REEXAMINATION OF PATENTS

"Sec.

"301. Citation of prior art.

"302. Request for reexamination.

"303. Determination of issue by Commissioner.

"304. Reexamination order by Commissioner.

"305. Conduct of reexamination proceedings.

"306. Appeal.

"307. Certification of patentability, unpatentability, and claim cancellation.

"§ 301. Citation of prior art

"Any person at any time may cite to the Office in writing prior art consisting of patents or printed publications which that person believes to have a bearing on the patentability of any claim of a particular patent. If the person explains in writing the pertinency and manner of applying such prior art to at least one claim of the patent, the citation of such prior art and the explanation thereof will become a part of the official file of the patent. At the written request of the person citing the prior art, his or her identity will be excluded from the patent file and kept confidential.

"§ 302. Request for reexamination

"Any person at any time may file a request for reexamination by the Office of any claim of a patent on the basis of any prior art cited under the provisions of section 301 of this title. The request must be in writing and must be accompanied by payment of a reexamination fee established by the Commissioner of Patents pursuant to the provisions of section 41 of this title. The request must set forth the pertinency and manner of applying cited prior art to every claim for which reexamination is requested. Unless the requesting person is the owner of the patent, the Commissioner promptly will send a copy of the request to the owner of record of the patent.

"§ 303. Determination of issue by Commissioner

"(a) Within three months following the filing of a request for reexamination under the provisions of section 302 of the title, the Commissioner will determine whether a substantial new question of patentability affecting any claim of the patent concerned is raised by the request, with or without consideration of other patents or printed publications. On his own initiative, and any time, the Commissioner may determine whether a substantial new question of patentability is raised by patents and publications discovered by him or cited under the provisions of section 301 of this title.

"(b) A record of the Commissioner's determination under subsection (a) of this section will be placed in the official file of the patent, and a copy promptly will be given or mailed to the owner of record of the patent and to the person requesting reexamination, if any.

"(c) A determination by the Commissioner pursuant to subsection (a) of this section that no substantial new question of patentability has been raised will be final and nonappealable. Upon such a determination, the Commissioner may refund a portion of the reexamination fee required under section 302 of this title.

"§ 304. Reexamination order by Commissioner

"If, in a determination made under the provisions of subsection 303(a) of this title, the Commissioner finds that a substantial new question of patentability affecting any claim of a patent is raised, the determination will include an order for reexamination of

"§ 305. Conduct of reexamination proceedings

"After the times for filing the statement and reply provided for by section 304 of this title have expired, reexamination will be conducted according to the procedures established for initial examination under the provisions of sections 132 and 133 of this title. In any reexamination proceeding under this chapter, the patent owner will be permitted to propose any amendment to his patent and a new claim or claims thereto, in order to distinguish the invention as claimed from the prior art cited under the provisions of section 301 of this title, or in response to a decision adverse to the patentability of a claim of a patent. No proposed amended or new claim enlarging the scope of a claim of the patent will be permitted in a reexamination proceeding under this chapter. All reexamination proceedings under this section, including any appeal to the Board of Appeals, will be conducted with special dispatch within the Office.

"§ 306. Appeal.

"The patent owner involved in a reexamination proceeding under this chapter may appeal under the provisions of section 134 of this title, and may seek court review under the provisions of sections 141 to 145 of this title, with respect to any decision adverse to the patentability of any original or proposed amended or new claim of the patent.

"§ 307. Certificate of patentability, unpatentability, and claim cancellation

"(a) In a reexamination proceeding under this chapter, when the time for appeal has expired or any appeal proceeding has terminated, the Commissioner will issue and publish a certificate canceling any claim of the patent finally determined to be unpatentable, confirming any claim of the patent determined to be patentable, and incorporating in the patent any proposed amended or new claim determined to be patentable.

"(b) Any proposed amended or new claim determined to be patentable and incorporated into a patent following a reexamination proceeding will have the same effect as that specified in section 252 of this title for reissued patents on the right of any person who made, purchased, or used anything patented by such proposed amended or new claim, or who made substantial preparation for the same, prior to issuance of a certificate under the provisions of subsection (a) of this section."

SEC. 2. Section 41 of title 35, United States Code, is amended to read as follows:

"§ 41. Patent fees

"(a) The Commissioner of Patents will establish fees for the processing of an application for a patent, from filing through disposition by issuance or abandonment, for maintaining a patent in force, and for providing all other services and materials related to patents. No fee will be established for maintaining a design patent in force.

"(b) By the first day of the first fiscal year beginning on or after one calendar year after enactment of this Act, fees for the

actual processing of an application for a patent, other than for a design patent, from filing through disposition by issuance or abandonment, will recover in aggregate 25 per centum of the estimated average cost to the Office of such processing. By the first day of the first fiscal year beginning on or after one calendar year after enactment, fees for the processing of an application for a design patent, from filing through disposition by issuance or abandonment, will recover in aggregate 50 per centum of the estimated average cost to the Office of such processing.

"(c) By the fifteenth fiscal year following the date of enactment of this Act, fees for maintaining patents in force will recover 25 per centum of the estimated cost to the Office, for the year in which such maintenance fees are received, of the actual processing all applications for patents, other than for design patents, from filing through disposition by issuance or abandonment. Fees for maintaining a patent in force will be due three years and six months, seven years and six months, and eleven years and six months after the grant of the patent. Unless payment of the applicable maintenance fee is received in the Patent and Trademark Office on or before the date the fee is due or within a grace period of six months thereafter, the patent will expire as of the end of such grace period. The Commissioner may require the payment of a surcharge as a condition of accepting within such six-month grace period the late payment of an applicable maintenance fee.

"(d) By the first day of the first fiscal year beginning on or after one calendar year after enactment, fees for all other services or materials related to patents will recover the estimated average cost to the Office of performing the service or furnishing the material. The yearly fee for providing a library specified in section 13 of this title with uncertified printed copies of the specifications and drawings for all patents issued in that year will be \$50.

"(e) The Commissioner may waive the payment of any fee for any service or material related to patents in connection with an occasional or incidental request made by a department or agency of the Government, or any officer thereof. The Commissioner may provide any applicant issued a notice under section 132 of this title with a copy of the specifications and drawings for all patents referred to in that notice without charge.

"(f) Fees will be adjusted by the Commissioner to achieve the levels of recovery specified in this section; however, no patent application processing fee or fee for maintaining a patent in force will be adjusted more than once every three years.

"(g) No fee established by the Commissioner under this section will take effect prior to sixty days following notice in the Federal Register."

SEC. 3. Section 42 of title 35, United States Code, is amended to read as follows:

"§ 42. Patent and Trademark Office funding

"(a) All fees for services performed by or materials furnished by the Patent and Trademark Office will be payable to the Commissioner.

"(b) All fees paid to the Commissioner and all appropriations for defraying the costs of the activities of the Patent and Trademark Office will be credited to the Patent Office Appropriation Account in the Treasury of the United States, the provisions of section 725e of title 31, United States Code, notwithstanding.

"(c) Revenues from fees will be available to the Commissioner of Patents to carry out, to the extent provided for in appropriation Acts, the activities of the Patent and Trademark Office.

"(d) The Commissioner may refund any fee paid by mistake or any amount paid in excess of that required."

SEC. 4. Section 154 of title 35, United States Code, is amended by deleting the word "issue".

SEC. 5. Section 31 of the Trademark Act of 1946, as amended (15 U.S.C. 1113), is amended to read as follows:

"§ 31. Fees

"(a) The Commissioner of Patents will establish fees for the filing and processing of an application for the registration of a trademark or other mark and for all other services performed by and materials furnished by the Patent and Trademark Office related to trademarks and other marks. Fees will be set and adjusted by the Commissioner to recover in aggregate 50 per centum of the estimated average cost to the Office of such processing. Fees for all other services or materials related to trademarks and other marks will recover the estimated average cost to the Office of performing the service or furnishing the material. However, no fee for the filing or processing of an application for the registration of a trademark or other mark or for the renewal or assignment of a trademark or other mark will be adjusted more than once every 3 years. No fee established under this section will take effect prior to sixty days following notice in the Federal Register.

"(b) The Commissioner may waive the payment of any fee for any service or material related to trademarks or other marks in connection with an occasional request made by a department or agency of the Government, or any officer thereof. The Indian Arts and Crafts Board will not be charged any fee to register Government trademarks of genuineness and quality for Indian products of particular Indian tribes and groups."

SEC. 6. (a) Title 35 of the United States Code, entitled "Patents", is amended by adding after chapter 37 the following new chapter 38:

"Chapter 38—PATENT RIGHTS IN INVENTIONS MADE WITH FEDERAL ASSISTANCE

"Sec.

"200. Policy and objective.

"201. Definitions.

"202. Disposition of rights.

"203. March-in rights.

"204. Preference for United States industry.

"205. Confidentiality.

"206. Uniform clauses and regulations.

"207. Domestic and foreign protection of federally owned inventions.

"208. Regulations governing Federal licensing.

"209. Restrictions on licensing of federally owned inventions.

"210. Precedence of chapter.

"211. Relationship to antitrust laws.

"§ 200. Policy and objective

"It is the policy and objective of the Congress to use the patent system to promote the utilization of inventions arising from federally supported research or development; to encourage maximum participation of small business firms in federally supported research and development efforts; to promote collaboration between commercial concerns and nonprofit organizations, including universities; to ensure that inventions made by nonprofit organizations and small business firms are used in a manner to promote free competition and enterprise; to promote the commercialization and public availability of inventions made in the United States by United States industry and labor; to ensure that the Government obtains sufficient rights in federally supported inventions to meet the needs of the Government and protect the public against nonuse or unreasonable use of inventions; and to minimize the costs of administering policies in this area.

"§ 201. Definitions

"As used in this chapter—

"(a) The term 'Federal agency' means any executive agency as defined in section 105 of title 5, United States Code, and the military departments as defined by section 102 of title 5, United States Code.

"(b) The term 'funding agreement' means any contract, grant, or cooperative agreement entered into between any Federal agency, other than the Tennessee Valley Authority, and any contractor for the performance of experimental, developmental, or research work funded in whole or in part by the Federal Government. Such term includes any assignment, substitution of parties, or subcontract of any type entered into for the performance of experimental, developmental, or research work under a funding agreement as herein defined.

"(c) The term 'contractor' means any person, small business firm, or nonprofit organization that is a party to a funding agreement.

"(d) The term 'invention' means any invention or discovery which is or may be patentable or otherwise protectable under this title.

"(e) The term 'subject invention' means any invention of the contractor conceived or first actually reduced to practice in the performance of work under a funding agreement.

"(f) The term 'practical application' means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and, in each case, under such conditions as to establish that the invention is being utilized and that its benefits are to the extent permitted by law or Government regulations available to the public on reasonable terms.

"(g) The term 'made' when used in relation to any invention means the conception or first actual reduction to practice of such invention.

"(h) The term 'small business firm' means a small business concern as defined at section 2 of Public Law 85-536 (15 U.S.C. 632) and implementing regulations of the Administrator of the Small Business Administration.

"(i) The term 'nonprofit organization' means universities and other institutions of higher education or an organization of the type described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)) and exempt from taxation under section 501(a) of the Internal Revenue Code (26 U.S.C. 501(a)) or any nonprofit scientific or educational organization qualified under a State nonprofit organization statute.

"§ 202. Disposition of rights

(a) Each nonprofit organization or small business firm may, within a reasonable time after disclosure as required by paragraph (c)(1) of this section, elect to retain title to any subject invention: *Provided, however*, That a funding agreement may provide otherwise (i) when the funding agreement is for the operation of a Government-owned research or production facility, (ii) in exceptional circumstances when it is determined by the agency that restriction or elimination of the right to retain title to any subject invention will better promote the policy and objectives of this chapter or (iii) when it is determined by a Government authority which is authorized by statute or Executive order to conduct foreign intelligence or counterintelligence activities that the restriction or elimination of the right to retain title to any subject invention is necessary to protect the security of such activities. The rights of the nonprofit organization or small business firm shall be subject to the provisions of paragraph (c) of this section and the other provisions of this chapter.

"(b) (1) Any determination under (ii) of paragraph (a) of this section shall be in writing and accompanied by a written statement of facts justifying the determination. A copy of each such determination and justification shall be sent to the Comptroller General of the United States within thirty days after the award of the applicable funding agreement. In the case of determinations applicable to funding agreements with small business firms copies shall also be sent to the Chief Counsel for Advocacy of the Small Business Administration.

"(2) If the Comptroller General believes that any pattern of determinations by a Federal agency is contrary to the policy and objectives of this chapter or that an agency's policies or practices are otherwise not in conformance with this chapter, the Comptroller General shall so advise the head of the agency. The head of the agency shall advise the Comptroller General in writing within one hundred and twenty days of what action, if any, the agency has taken or plans to take with respect to the matters raised by the Comptroller General.

"(3) At least once each year, the Comptroller General shall transmit a report to the Committees on the Judiciary of the Senate and House of Representatives on the manner in which this chapter is being implemented by the agencies and on such other aspects of Government patent policies and practices with respect to federally funded inventions as the Comptroller General believes appropriate.

"(c) Each funding agreement with a small business firm or nonprofit organization shall contain appropriate provisions to effectuate the following:

"(1) A requirement that the contractor disclose each subject invention to the Federal agency within a reasonable time after it is made and that the Federal Government may receive title to any subject invention not reported to it within such time.

"(2) A requirement that the contractor make an election to retain title to any subject invention within a reasonable time after disclosure and that the Federal Government may receive title to any subject invention in which the contractor does not elect to retain rights or fails to elect rights within such time.

"(3) A requirement that a contractor electing rights file patent applications within reasonable times and that the Federal Government may receive title to any subject inventions in the United States or other countries in which the contractor has not filed patent applications on the subject invention within such times.

"(4) With respect to any invention in which the contractor elects rights, the Federal agency shall have a nonexclusive, non-transferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States any subject invention throughout the world, and may, if provided in the funding agreement, have additional rights to sublicense any foreign government or international organization pursuant to any existing or future treaty or agreement.

"(5) The right of the Federal agency to require periodic reporting on the utilization or efforts at obtaining utilization that are being made by the contractor or his licensees or assignees: *Provided*, That any such information may be treated by the Federal agency as commercial and financial information obtained from a person and privileged and confidential and not subject to disclosure under section 552 of title 5 of the United States Code.

"(6) An obligation on the part of the contractor, in the event a United States patent application is filed by or on its behalf or by any assignee of the contractor, to include within the specification of such application and any patent issuing thereon, a statement

specifying that the invention was made with Government support and that the Government has certain rights in the invention.

"(7) In the case of a nonprofit organization, (A) a prohibition upon the assignment of rights to a subject invention in the United States without the approval of the Federal agency, except where such assignment is made to an organization which has as one of its primary functions the management of inventions and which is not, itself, engaged in or does not hold a substantial interest in other organizations engaged in the manufacture or sale of products or the use of processes that might utilize the invention or be in competition with embodiments of the invention (provided that such assignee shall be subject to the same provisions as the contractor); (B) a prohibition against the granting of exclusive licenses under United States Patents or Patent Applications in a subject invention by the contractor to persons other than small business firms for a period in excess of the earlier of five years from first commercial sale or use of the invention or eight years from the date of the exclusive license excepting that time before regulatory agencies necessary to obtain pre-market clearance unless, on a case-by-case basis, the Federal agency approves a longer exclusive license. If exclusive field of use licenses are granted, commercial sale or use in one field of use shall not be deemed commercial sale or use as to other fields of use, and a first commercial sale or use with respect to a product of the invention shall not be deemed to end the exclusive period to different subsequent products covered by the invention; (C) a requirement that the contractor share royalties with the inventor; and (D) a requirement that the balance of any royalties or income earned by the contractor with respect to subject inventions, after payment of expenses (including payments to inventors) incidental to the administration of subject inventions, be utilized for the support of scientific research or education.

"(8) The requirements of sections 203 and 204 of this chapter.

"(d) If a contractor does not elect to retain title to a subject invention in cases subject to this section, the Federal agency may consider and after consultation with the contractor grant requests for retention of rights by the inventor subject to the provision of this Act and regulations promulgated hereunder.

"(e) In any case when a Federal employee is a coinventor of any invention made under a funding agreement with a nonprofit organization or small business firm, the Federal agency employing such coinventor is authorized to transfer or assign whatever rights it may acquire in the subject invention from its employee to the contractor subject to the conditions set forth in this chapter.

"(f) (1) No funding agreement with a small business firm or nonprofit organization shall contain a provision allowing a Federal agency to require the licensing to third parties of inventions owned by the contractor that are not subject inventions unless such provision has been approved by the head of the agency and a written justification has been signed by the head of the agency. Any such provision shall clearly state whether the licensing may be required in connection with the practice of a subject invention, a specifically identified work object, or both. The head of the agency may not delegate the authority to approve provisions or sign justifications required by this paragraph.

"(2) A Federal agency shall not require the licensing of third parties under any such provision unless the head of the agency determines that the use of the invention by others is necessary for the practice of a subject invention or for the use of a work object of the funding agreement and that such action is necessary to achieve the practical application of the subject invention or work

object. Any such determination shall be on the record after an opportunity for an agency hearing. Any action commenced for judicial review of such determination shall be brought within sixty days after notification of such determination.

"§ 203. March-in rights

"With respect to any subject invention in which a small business firm or nonprofit organization has acquired title under this chapter, the Federal agency under whose funding agreement the subject invention was made shall have the right, in accordance with such procedures as are provided in regulations promulgated hereunder to require the contractor, an assignee or exclusive licensee of a subject invention to grant a nonexclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, and if the contractor, assignee, or exclusive licensee refuses such request, to grant such a license itself, if the Federal agency determines that such—

"(a) action is necessary because the contractor or assignee has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use;

"(b) action is necessary to alleviate health or safety needs which are not reasonably satisfied by the contractor, assignee, or their licensees;

"(c) action is necessary to meet requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the contractor, assignee, or licensees; or

"(d) action is necessary because the agreement required by section 204 has not been obtained or waived or because a licensee of the exclusive right to use or sell any subject invention in the United States is in breach of its agreement obtained pursuant to section 204.

"§ 204. Preference for United States industry

"Notwithstanding any other provision of this chapter, no small business firm or nonprofit organization which receives title to any subject invention and no assignee of any such small business firm or nonprofit organization shall grant to any person the exclusive right to use or sell any subject invention in the United States unless such person agrees that any products embodying the subject invention or produced through the use of the subject invention will be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by the Federal agency under whose funding agreement the invention was made upon a showing by the small business firm, nonprofit organization, or assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.

"§ 205. Confidentiality

"Federal agencies are authorized to withhold from disclosure to the public information disclosing any invention in which the Federal Government owns or may own a right, title, or interest (including a nonexclusive license) for a reasonable time in order for a patent application to be filed. Furthermore, Federal agencies shall not be required to release copies of any document which is part of an application for patent filed with the United States Patent and Trademark Office or with any foreign patent office.

"§ 206. Uniform clauses and regulations

"The Office of Federal Procurement Policy, after receiving recommendations of the Office

of Science and Technology Policy, may issue regulations which may be made applicable to Federal agencies implementing the provisions of sections 202 through 204 of this chapter and the Office of Federal Procurement Policy shall establish standard funding agreement provisions required under this chapter.

“§ 207. Domestic and foreign protection of federally owned inventions

“Each Federal agency is authorized to—

“(1) apply for, obtain, and maintain patents or other forms of protection in the United States and in foreign countries on inventions in which the Federal Government owns a right, title, or interest;

“(2) grant nonexclusive, exclusive, or partially exclusive licenses under federally owned patent applications, patents, or other forms of protection obtained, royalty-free or for royalties or other consideration, and on such terms and conditions, including the grant to the licensee of the right of enforcement pursuant to the provisions of chapter 29 of this title as determined appropriate in the public interest;

“(3) undertake all other suitable and necessary steps to protect and administer rights to federally owned inventions on behalf of the Federal Government either directly or through contract; and

“(4) transfer custody and administration, in whole or in part, to another Federal agency, of the right, title, or interest in any federally owned invention.

“§ 208. Regulations governing Federal licensing

“The Administrator of General Services is authorized to promulgate regulations specifying the terms and conditions upon which any federally owned invention, other than inventions owned by the Tennessee Valley Authority, may be licensed on a nonexclusive, partially exclusive, or exclusive basis.

“§ 209. Restrictions on licensing of federally owned inventions

“(a) No Federal agency shall grant any license under a patent or patent application on a federally owned invention unless the person requesting the license has supplied the agency with a plan for development and/or marketing of the invention, except that any such plan may be treated by the Federal agency as commercial and financial information obtained from a person and privileged and confidential and not subject to disclosure under section 552 of title 5 of the United States Code.

“(b) A Federal agency shall normally grant the right to use or sell any federally owned invention in the United States only to a licensee that agrees that any products embodying the invention or produced through the use of the invention will be manufactured substantially in the United States.

“(c) (1) Each Federal agency may grant exclusive or partially exclusive licenses in any invention covered by a federally owned domestic patent or patent application only if, after public notice and opportunity for filing written objections, it is determined that—

“(A) the interests of the Federal Government and the public will best be served by the proposed license, in view of the applicant's intentions, plans, and ability to bring the invention to practical application or otherwise promote the invention's utilization by the public;

“(B) the desired practical application has not been achieved, or is not likely expeditiously to be achieved, under any nonexclusive license which has been granted, or which may be granted, on the invention;

“(C) exclusive or partially exclusive licensing is a reasonable and necessary incentive to call forth the investment of risk capital and expenditures to bring the invention

to practical application or otherwise promote the invention's utilization by the public; and

“(D) the proposed terms and scope of exclusivity are not greater than reasonably necessary to provide the incentive for bringing the invention to practical application or otherwise promote the invention's utilization by the public.

“(2) A Federal agency shall not grant such exclusive or partially exclusive license under paragraph (1) of this subsection if it determines that the grant of such license will tend substantially to lessen competition or result in undue concentration in any section of the country in any line of commerce to which the technology to be licensed relates, or to create or maintain other situations inconsistent with the antitrust laws.

“(3) First preference in the exclusive or partially exclusive licensing of federally owned inventions shall go to small business firms submitting plans that are determined by the agency to be within the capabilities of the firms and equally likely, if executed, to bring the invention to practical application as any plans submitted by applicants that are not small business firms.

“(d) After consideration of whether the interests of the Federal Government or United States industry in foreign commerce will be enhanced, any Federal agency may grant exclusive or partially exclusive licenses in any invention covered by a foreign patent application or patent, after public notice and opportunity for filing written objections, except that a Federal agency shall not grant such exclusive or partially exclusive license if it determines that the grant of such license will tend substantially to lessen competition or result in undue concentration in any section of the United States in any line of commerce to which the technology to be licensed relates, or to create or maintain other situations inconsistent with antitrust laws.

“(e) The Federal agency shall maintain a record of determinations to grant exclusive or partially exclusive licenses.

“(f) Any grant of a license shall contain such terms and conditions as the Federal agency determines appropriate for the protection of the interests of the Federal Government and the public, including provisions for the following:

“(1) periodic reporting on the utilization or efforts at obtaining utilization that are being made by the licensee with particular reference to the plan submitted: *Provided*, That any such information may be treated by the Federal agency as commercial and financial information obtained from a person and privileged and confidential and not subject to disclosure under section 552 of title 5 of the United States Code;

“(2) the right of the Federal agency to terminate such license in whole or in part if it determines that the licensee is not executing the plan submitted with its request for a license and the licensee cannot otherwise demonstrate to the satisfaction of the Federal agency that it has taken or can be expected to take within a reasonable time, effective steps to achieve practical application of the invention;

“(3) the right of the Federal agency to terminate such license in whole or in part if the licensee is in breach of an agreement obtained pursuant to paragraph (b) of this section; and

“(4) the right of the Federal agency to terminate the license in whole or in part if the agency determines that such action is necessary to meet requirements for public use specified by Federal regulations issued after the date of the license and such requirements are not reasonably satisfied by the licensee.

“§ 210. Precedence of chapter

“(a) This chapter shall take precedence over any other Act which would require a

disposition of rights in subject inventions of small business firms or nonprofit organizations contractors in a manner that is inconsistent with this chapter, including but not necessarily limited to the following:

“(1) section 10(a) of the Act of June 29, 1935, as added by title I of the Act of August 14, 1946 (7 U.S.C. 4271(a); 60 Stat. 1085);

“(2) section 205(a) of the Act of August 14, 1946 (7 U.S.C. 1624(a); 60 Stat. 1090);

“(3) section 501(c) of the Federal Mine Safety and Health Act of 1977 (30 U.S.C. 951(c); 83 Stat. 742);

“(4) section 106(c) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1395(c); 80 Stat. 721);

“(5) section 12 of the National Science Foundation Act of 1950 (42 U.S.C. 1871(a); 82 Stat. 360);

“(6) section 152 of the Atomic Energy Act of 1954 (42 U.S.C. 2182; 68 Stat. 943);

“(7) section 305 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2457);

“(8) section 6 of the Coal Research Development Act of 1960 (30 U.S.C. 666; 74 Stat. 337);

“(9) section 4 of the Helium Act Amendments of 1960 (50 U.S.C. 167b; 74 Stat. 920);

“(10) section 32 of the Arms Control and Disarmament Act of 1961 (22 U.S.C. 2572; 75 Stat. 634);

“(11) subsection (e) of section 302 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 302(e); 79 Stat. 5);

“(12) section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901; 88 Stat. 1878);

“(13) section 5(d) of the Consumer Product Safety Act (15 U.S.C. 2054(d); 86 Stat. 1211);

“(14) section 3 of the Act of April 5, 1944 (30 U.S.C. 323; 58 Stat. 191);

“(15) section 8001(c)(3) of the Solid Waste Disposal Act (42 U.S.C. 6981(c); 90 Stat. 2829);

“(16) section 219 of the Foreign Assistance Act of 1961 (22 U.S.C. 2179; 83 Stat. 806);

“(17) section 427(b) of the Federal Mine Health and Safety Act of 1977 (30 U.S.C. 937(b); 86 Stat. 155);

“(18) section 306(d) of the Surface Mining and Reclamation Act of 1977 (30 U.S.C. 1226(d); 91 Stat. 455);

“(19) section 21(d) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2218(d); 88 Stat. 1548);

“(20) section 6(b) of the Solar Photovoltaic Energy Research Development and Demonstration Act of 1978 (42 U.S.C. 5585(b); 92 Stat. 2516);

“(21) section 12 of the Native Latex Commercialization and Economic Development Act of 1978 (7 U.S.C. 178(j); 92 Stat. 2533); and

“(22) section 408 of the Water Resources and Development Act of 1978 (42 U.S.C. 7879; 92 Stat. 1360). The Act creating this chapter shall be construed to take precedence over any future Act unless that Act specifically cites this Act and provides that it shall take precedence over this Act.

“(b) Nothing in this chapter is intended to alter the effect of the laws cited in paragraph (a) of this section or any other laws with respect to the disposition of rights in inventions made in the performance of funding agreements with persons other than nonprofit organizations or small business firms.

“(c) Nothing in this chapter is intended to limit the authority of agencies to agree to the disposition of rights in inventions made in the performance of work under funding agreements with persons other than nonprofit organizations or small business firms in accordance with the Statement of Government Patent Policy issued on August 23, 1971 (36 Fed. Reg. 16887), agency regulations, or other applicable regulations or to otherwise limit the authority of agencies to

allow such persons to retain ownership of inventions. Any disposition of rights in inventions made in accordance with the State-ment or implementing regulations, including any disposition occurring before enactment of this section, are hereby authorized.

"(d) Nothing in this chapter shall be construed to require the disclosure of intelligence sources or methods or to otherwise affect the authority granted to the Director of Central Intelligence by statute or Executive order for the protection of intelligence sources or methods.

"§ 211. Relationship to antitrust laws

"Nothing in this chapter shall be deemed to convey to any person immunity from civil or criminal liability, or to create any defenses to actions, under any antitrust law."

(b) The table of chapters for title 35, United States Code, is amended by adding immediately after the item relating to chapter 37 the following:

"38. Patent rights in inventions made with Federal assistance."

Sec. 7. Amendments to Other Acts.—The following Acts are amended as follows:

(a) Section 156 of the Atomic Energy Act of 1954 (42 U.S.C. 2186; 68 Stat. 947) is amended by deleting the words "held by the Commission or".

(b) The National Aeronautics and Space Act of 1958 is amended by repealing paragraph (g) of section 305 (42 U.S.C. 2457(g); 72 Stat. 436).

(c) The Federal Nonnuclear Energy Research and Development Act of 1974 is amended by repealing paragraphs (g), (h), and (i) of section 9 (42 U.S.C. 3908 (g), (h), and (i); 88 Stat. 1889–1891).

Sec. 8. (a) Sections 2, 4, and 5 of this Act will take effect upon enactment.

(b) Section 1 of this Act will take effect on the first day of the seventh month beginning after its enactment and will apply to patents in force as of that date or issued thereafter.

(c) Section 3 of this Act will take effect on the first day of the first fiscal year beginning on or after one calendar year after enactment. However, until section 3 takes effect, the Commissioner may credit the Patent and Trademark Office appropriation account in the Treasury of the United States with the revenues from collected re-examination fees, which will be available to pay the costs to the Office of reexamination proceedings.

(d) Any fee in effect as of the date of enactment of this Act will remain in effect until a corresponding fee established under section 41 of title 35, United States Code, or section 1113 of title 15, United States Code, takes effect.

(e) Fees for maintaining a patent in force will not be applicable to patents applied for prior to the date of enactment of this Act.

(f) Sections 6 and 7 of this Act will take effect on the first day of the seventh month beginning after its enactment. Implementing regulations may be issued earlier.

(g) Sections 8 and 9 will take effect on the date of enactment of this Act.

Sec. 9. The Commissioner of Patents and Trademarks shall report to Congress, within 2 years after the effective date of this Act, a plan to identify, and if necessary develop or have developed, computerized data and retrieval systems equivalent to the latest state of the art which can be applied to all aspects of the operation of the Patent and Trademark Office, and particularly to the patent search file, the patent classification system, and the trademark search file. The report shall specify the cost of implementing the plan, how rapidly the plan can be implemented by the Patent and Trademark Office, without regard to funding which is

or which may be available for this purpose in the future.

Sec. 10. (a) Section 101 of title 17 of the United States Code is amended to add at the end thereof the following new language:

"A 'computer program' is a set of statements or instructions to be used directly or indirectly in a computer in order to bring about a certain result."

(b) Section 117 of title 17 of the United States Code is amended to read as follows:

"§ 117. Limitations on exclusive rights: Computer programs

"Notwithstanding the provisions of section 106, it is not an infringement for the owner of a copy of a computer program to make or authorize the making of another copy or adaptation of that computer program provided:

"(1) that such a new copy or adaptation is created as an essential step in the utilization of the computer program in conjunction with a machine and that it is used in no other manner, or

"(2) that such new copy or adaptation is for archival purposes only and that all archival copies are destroyed in the event that continued possession of the computer program should cease to be rightful.

"Any exact copies prepared in accordance with the provisions of this section may be leased, sold, or otherwise transferred, along with the copy from which such copies were prepared, only as part of the lease, sale, or other transfer of all rights in the program. Adaptations so prepared may be transferred only with the authorization of the copyright owner."

Amend the title so as to read: "A bill to amend the patent and trademark laws."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

● Mr. BAYH. Mr. President, there has been no more troubling issue before this Congress than the disturbing slump in American innovation and productivity. This trend strikes at the very heart of our economy and leads to a loss of jobs, a weakening of the dollar, and a poor balance of trade.

There are many complex reasons for this unhealthy trend, yet virtually every expert who has testified before the Congress has mentioned the weaknesses in our present patent laws as a significant contributor to the problem. The amendment that I am offering to the House-passed bill, H.R. 6933, represents an important step in solving this patent problem.

The amendment that I am offering represents in essence the patent policy incorporated in S. 414, which was overwhelmingly passed by the Senate after being unanimously reported out of the Senate Judiciary Committee.

This new policy will make federally supported research and development more productive by allowing the private sector to develop many inventions now left gathering dust on the shelves of Government agencies. This patent policy revision will give small businesses and universities conducting research and de-

velopment for the Government the incentive to develop and market the inventions that they make while fully protecting the rights of the Government and the public. This concept has received wide support from both sides of the aisle because of the overwhelming evidence of the present inefficiencies in the present patent policies. The full legislative history of this provision is found in the Senate Judiciary Committee report on S. 414 (96-480) which fully spells out the intent of the Congress and specifies how this patent policy is to be implemented.

Section 210(c) is intended to make clear that the disposition of rights in inventions to contractors not covered by this act shall continue to be governed by the President's statement on Government patent policy and implementing agency regulations. Implementing regulations and policies granting ownership rights to such contractors are not intended to be adversely affected by enactment of this act; and dispositions pursuant to such statements and implementing regulations prior to enactment of this act are expressly authorized by this act.

The other provisions of the present amendment will allow the Patent and Trademark Office to reexamine issued patents. This concept was unanimously supported by the Senate when it passed my bill, S. 2446. The present reexamination procedure is that passed by the House, which is essentially the same as that already passed by the Senate.

Reexamination will allow patent holders and challengers to avoid the present costs and delays of patent litigation. The American Patent Law Association testified to the Judiciary Committee that patent litigation can cost both parties \$250,000 and take years to settle. Quite obviously, this sum is beyond the means of many patent holders, particularly small businesses and independent inventors, and is a sizable burden to any business. Patent reexamination will also reduce the burden on our overworked courts by drawing on the expertise of the Patent and Trademark Office for an estimated \$1,000 to \$1,500 per case. Reexamination has been endorsed by the American Bar Association and the American Patent Law Association and is a much needed improvement in our present system that will strengthen the American patent system.

The Senate Judiciary Committee and the Appropriations Committee have been concerned about the continued underfunding of the Patent Office. The amendment that I am offering includes the first increase in patent and trademark fees in 15 years. The language is that already approved by the House.

The House provision includes a system of maintenance fees so that a patent holder can spread out his payments over a number of years. I believe that the Senate should accept this concept with the provision that patent holders be personally notified through the mail shortly before their payments are due. I fear that unless this is done small business patent holders or independent inventors might inadvertently miss a deadline and thereby permit their patent to lapse. So

with this one minor addition in the legislative history of the fee provision, I recommend that it be accepted. There should also be provisions made in the implementing regulations of the Patent and Trademark Office to extend the deadline if a patent holder should inadvertently miss payment through no fault of their own.

Few would argue that trademark fee adjustments are not needed. They have not been increased for years. Rather than merely increasing fees, this bill ties them to recovering an established percentage of average estimated costs, without any feeling or control. Unquestionably, support for fee increases based on a percentage of cost recovery waned dramatically when the language creating a Patent and Trademark Office independent of the Department of Commerce, an action I actively sought, was deleted from this legislation. In any case, this open-ended structure should not be construed as a "blank check."

Today, conditions in the trademark office are nothing short of a national disgrace and although remedies are being sought, we are far from realizing an efficiently run operation. Some estimate that, in 5 years, the length of time it takes to receive a registration may stretch from over 2 years to a deplorable 7 years. Reasonably, this period should not exceed 1 year. Furthermore, when registrations are issued, they are frequently mailed to the wrong company, much of the Office's official correspondence is handled in longhand due to a shortage of clerk typists and the statutorily required publication of the official gazette, when it does occur, is months behind and has resulted in an inordinate backlog. It will cost a great deal of money to straighten out this disastrous mess and increased fees will help. However, I am certain that it is not the intent of my colleagues that American businesses and individuals be forced to pay the cost of past management errors in the Patent and Trademark Office (PTO) and the Department of Commerce. Additionally, while there is no provision in this legislation to prohibit the commingling of patent and trademark fees revenues to offset expenditures of the PTO, it is the intent of this body that they be kept separate.

Of even more serious import to U.S. trademark owners is the impact on fees that will result should the Senate ratify the Trademark Registration Treaty. This treaty, as it substantially reduces for foreign nationals to file, makes it easier for them to present their applications for processing. Cost of trademark operations within the PTO cannot help but soar and backlog will certainly be magnified. The number of oppositions will increase and printing costs will be much higher. Because this legislation does not take this possibility into account and bases the fees which American businesses must pay on aggregate costs, I have confidence that Congress will examine this new trademark fee structure when it considers the impact on the PTO of the treaty to insure that American trademark owners, both individuals and busi-

nesses, do not subsidize the costs of their foreign competitors.

The Congress should exercise an oversight of the implementing regulations as this increase in patent and trademark fees goes into effect to insure that it does not have a negative impact on independent inventors and small businesses. It is not the intent of the Senate that fees should be raised to the point that these important sources of innovation are discouraged or prohibited from filing patent and trademark applications by their financial limitations. It would be counterproductive to the patent and trademark system if this concern were not carefully weighed by the Patent and Trademark Office.

As required by the Regulatory Flexibility Act (Public Law 96-354) and the present act (H.R. 6933), the Patent and Trademark Office is required to adopt regulations for the patent fees of section 41(a) of this act that will reflect the ability of small entities to pay such charges. Consideration must be given to several tiers of processing, filing, and maintenance charges.

My amendment will also authorize a 2-year study of the feasibility of computerizing many of the operations of the Patent and Trademark Office. The Judiciary Committee has been very concerned with reports it has received about missing patent files and the uncertainty of many issued U.S. patents. Computerization should significantly modernize the operations of the Office and this study will be very important in determining how best to proceed.

Finally, Mr. President, this amendment clarifies the 1976 Copyright Act as it is related to the ability to obtain copyrights on computer software. This language reflects that proposed by the Commission on New Technological Uses of Copyrighted Works and is supported by the Copyright Office.

This amendment represents a satisfactory compromise between the positions of the Senate and the House. This bill will be a significant step forward not only for the patent system, but for American innovation and productivity. I urge my colleagues to join with me in supporting this vitally important legislation. ●

● Mr. SCHMITT. Mr. President, as most of my colleagues are undoubtedly aware, recent economic indicators suggest that the United States is experiencing an alarming decline in the rate of technological innovation and economic growth. Symptoms of this decline are reflected in the growing international trade deficit, diminishing national productivity, and the increasing penetration of domestic markets by foreign competitors.

The Senate Science, Technology, and Space Subcommittee, chaired by Senator STEVENSON and on which I serve as the ranking member, has had a longstanding interest in the industrial innovation process and Federal policies which adversely impact upon it. For the past 2 years the subcommittee in cooperation with the Banking Committee has conducted extensive oversight hearings examining the direction of Federal R. & D.

and the Federal Government's role in promoting the development, application, and diffusion of new technologies.

In addition, the committee has held 4 days of hearings on my bill, S. 1215, and reported it out of committee. S. 1215 addresses these problems in a comprehensive manner, treating all contractors, small, medium, and large, equally.

The problems identified through these hearings are varied and complex—overburdensome and costly regulations, lack of an overall trade policy, counterproductive tax policies, and inadequate funding of basic research, to name just a few. Nevertheless, there are steps which the Federal Government can and should take to reverse the downward trend in the development of new products and processes. Reform of patent activities and policies is at the top of the list.

Mr. President, in my judgment, there is a clear need for the establishment and implementation of a uniform Governmentwide patent policy that would address all recipients of Federal R. & D. funds.

The bill, H.R. 6933, provides for such a policy but only for small and nonprofit businesses, and academic institutions. While I support the basic objectives of the bill, I am concerned that the bill does not go far enough. The problems this Nation is experiencing in technological innovation go far beyond small business and universities which together comprise but a small percentage of all Federal contracts. We cannot afford to ignore that segment of private enterprise consisting of medium-sized and larger businesses which perform 90 percent of our federally sponsored R. & D. effort and account for more than half of U.S. industrial employment, and 85 percent of U.S. exports.

I believe the correct approach would allow all contractors, regardless of size or profit status, to acquire title to their inventions made under Federal contracts while retaining the structure, protections, and essential provisions of H.R. 6933. It is important to achieve the widest possible application of Government-supported technology at a time of lagging innovation, stagnant productivity growth, and declining U.S. competitiveness in the international and domestic marketplaces.

Mr. President, I am hopeful that early in the next Congress we can more thoroughly address the problem of lagging technological innovation through implementation of a governmentwide patent policy that is applicable to all contractors, regardless of size.

I view the legislation before us today as only the first small step in the process of providing incentive for technological innovation among all recipients of Federal R. & D. funds, and urge my colleagues to continue their efforts toward that end. ●

Mr. DOLE. Mr. President, the present patent policy generally encourages retention by the Government of rights to inventions it sponsored. This policy has resulted in a reluctance by universities and industry to invest the necessary funds for the development and marketing of inventions emanating from fed-

erally funded research. This is understandable in view of the fact that the development process is not only risky but expensive, and estimated to cost 10 times the cost of the initial research.

By obstructing patent rights and innovations, the Government increases the factor of uncertainty in an already uncertain area, that of technology and result. By denying the modicum of protection that the granting of patent rights for a limited period of time would afford, the Government removes the incentive that would stimulate the private sector to develop and market inventions.

IMPACT OF FEDERAL POLICY

The effect of this policy is twofold, bearing on the consumer as well as on the economy in general. In both cases, the public is the victim. When large amounts of taxpayers' money are directed to the research field, the public expects and deserves to reap the benefit of its investment in the form of products available for its consumption. When this fails to materialize, it is obvious that the Government has reneged on its promise. This is evidenced by the fact that, of the 28,000 inventions funded by the Government, only about 5 percent have been used.

The damaging impact of the Federal patent policy on the economy is dramatic. That we have lost our leadership role to Japan in the fields of electronics and shipbuilding is no accident. Without short-term exclusive rights, small firms cannot take the risk of bringing innovations to the commercial market, but large foreign firms can and are doing so, with ideas gleaned from U.S.-funded research. That the richest Nation on Earth has a trade deficit with Japan amounting to \$13 billion leaves room for reflection, when one considers the fact that Japan has no natural resources on her mainland. Our annual growth is 3 percent as opposed to 8 percent in Japan. Our newly established ties with China make the People's Republic a candidate for emulation of the Japanese example, with a population of 900 million people, through the potential use of U.S. technology to which its access is now guaranteed. China could become a most formidable competitor.

The development of technological innovation by Government and industry in countries such as Japan and Germany, is a contributing factor in their dominance of world trade.

WHAT IS THE ANSWER?

Protectionism is not what I am advocating. Such a theory would be counterproductive and one I do not adhere to on general principles. What I am rather suggesting is that the answer to foreign competition lies neither in an increase of export subsidies, nor in an increase of tariffs, but in an increase in productivity. I believe that the protection that patent rights for a limited amount of time would guarantee to American business would be a giant step toward providing incentives for greater productivity.

Our economy is one which has always run on America's innovative genius. This resource must not be allowed to waste away on account of unnecessary delays

and redtape. Complex rules and regulations devised by Federal agencies are detrimental to stimulating productivity and enterprise. They are particularly harmful to small business from which, traditionally, innovative, and creative programs have emanated. In the field of medical innovation, the obstruction of patent rights by Federal agencies is an extremely serious problem. Indeed, when medical inventions offering potential cures for diseases are withheld, it is the very lives of Americans which are affected.

The almost adversarial relationship that now exists between business and Government must be replaced by a true and genuine partnership in which the Government will act as impresario in bringing industry and universities together with new fields of knowledge, and their practical implementation.

PATENT POLICY

The amendment that I am cosponsoring represents the patent policy incorporated in S. 414, which was overwhelmingly passed by the Senate after being unanimously reported out of the Senate Judiciary Committee.

This new policy will result in an increase in productivity by allowing the private sector to develop many inventions now left on the shelves of Government agencies. Small businesses and universities that conduct research and development for the Government will now have the incentive to develop and market the inventions that they create.

THE PATENT TRADEMARK OFFICE

An estimated 2 to 28 percent of the search files are missing in each patent subclass. Therefore, when patent examiners are searching these files, when seeking prior patents and relevant materials, in order to determine whether or not to grant a patent, some of the necessary materials are missing. The failure of the patent examiner to cite all of the relevant materials and patents in his report can be used to challenge the patent's validity in court.

If the Patent and Trademark Office is to meet its responsibilities to the patent applicant for prompt issuance and still insure that all of the relevant materials have been considered, the PTO must be given the authority to reexamine patents.

PATENT REEXAMINATION

As drafted, H.R. 6933 allows a person who wanted to challenge an issued patent on the basis of prior art or printed publications they would file a request with the PTO along with the fee and the evidence that is relevant to patent challenge. The patent holder would be informed of the challenge and would receive a copy of any cited material being used to question his patent. Within 90 days of receipt of this request, the Commissioner of the PTO would issue an initial decision. The patent holder would have the right to appeal the Commissioner's decision if the patent was invalidated.

Under H.R. 6933 the courts would have the option of accepting patent validity cases.

The other provisions of this amend-

ment will result in an increase in patent and trademark fees. These fees have not been increased for 15 years.

Trademark fees have not been increased for years. This bill will tie the increase in fees to the recovery of an established percentage of average estimated cost, without any feeling of control.

Congress must exercise oversight of the implementing regulation since this increase in patent and trademark fees goes into effect to insure that it does not have a negative impact on independent inventors and small businesses.

Additionally, this amendment will clarify the 1976 Copyright Act as it pertained to the ability to obtain copyrights on computer software. This language reflects that proposed by the Commission on New Technological Uses of Copyrighted Works and is supported by the Copyright Office.

Mr. President, this amendment is an acceptable compromise between the versions offered by the Senate and the House. It is a hope of the Senator from Kansas that this legislation will be a significant step forward for American innovation and productivity. I urge my colleagues to support this necessary piece of legislation.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 6933), as amended, was passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RECESS FOR 30 MINUTES

The PRESIDING OFFICER. Pursuant to the previous order, the Senate now stands in recess for 30 minutes.

Thereupon, at 3:06 p.m., the Senate recessed for 30 minutes; whereupon, at 3:36 p.m., it reassembled when called to order by the Presiding Officer (Mr. SARBANES).

Mr. RIEGLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER. The motion to proceed to the consideration of S. 1480.

RECESS UNTIL 4:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I am informed that the parties are still negotiating and need a little more time. Therefore, I ask unanimous consent that

the Senate stand in recess until 4:30 p.m. today.

There being no objection, the Senate, at 4:04 p.m., recessed until 4:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. LEVIN).

RECESS FOR 15 MINUTES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 15 minutes.

There being no objection, the Senate, at 4:30:30 p.m., recessed until 4:45:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BOREN).

The PRESIDING OFFICER. The Chair in his capacity as the Senator from Oklahoma suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, the parties who have been principally engaged in the negotiations with respect to the superfund bill have made considerable progress. They need several hours tomorrow in which to continue those negotiations.

In order to accommodate certain Senators, one in particular who will not be here Saturday and who wishes to be here when action is taken on the superfund legislation, I ask unanimous consent that further action on the pending motion be delayed until Monday, following the orders for the recognition of the two leaders or their designees.

Mr. BAKER. Mr. President, reserving the right to object, and I will not object, indeed, I will join the majority leader in his request.

I, too, believe substantial progress has been made. I would like to say that I believe enough progress has been made to predict that there will be a successful outcome, at least I hope so. Because I feel the parties are close enough together now, a great deal will be gained by trying to complete consideration of this measure yet in this session of Congress.

It is my understanding of the request made by the majority leader that further consideration of the motion would simply be suspended until next Monday, at which time all the parties would be left in the status quo exactly where they were when we discontinued consideration of that motion this morning.

I ask the Chair if that understanding is correct and if the Chair will confirm that understanding.

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. Mr. President, then I certainly have no objection. I thank the majority leader for his good offices in working out this arrangement.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The galleries will be in order.

Mr. ROBERT C. BYRD. Mr. President, will the Chair please get order in the galleries? The Senate is still in session and will be in session for a while.

While I have the floor, I want to take this occasion to say that the Senate will be in Saturday, also, because there is work to do, unless all the work can be completed that we are hoping to get done prior to Saturday.

At this time, I hope that the EDA legislation can be brought up. The distinguished Senator from West Virginia, my senior colleague, Mr. RANDOLPH, is here for that purpose and Mr. STAFFORD is also here.

Mr. President, I yield the floor.

EXTENSION OF AUTHORIZATION OF PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT AND APPALACHIAN REGIONAL DEVELOPMENT ACT

Mr. RANDOLPH. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 3152.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 3152) entitled "An Act to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965 to extend the authorization for such Acts for two additional years", do pass with the following amendment:

Strike out all after the enacting clause, and insert:

That the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.) is amended as follows:

(1) The first sentence of section 102 is amended by striking out "and September 30, 1979," and inserting in lieu thereof "September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982."

(2) Section 105 is amended by striking out "and September 30, 1979," at the end of the first sentence and inserting in lieu thereof "September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982." Section 105 is further amended by striking out "and September 30, 1979," in the third sentence thereof and inserting in lieu thereof "September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982."

(3) Section 201(c) is amended by striking out "and September 30, 1979," at the end thereof and inserting in lieu thereof "September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982."

(4) Section 204(c) is amended by striking out "and September 30, 1979," and inserting in lieu thereof "September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982."

(5) Section 303(a) is amended by striking out "and September 30, 1979," and inserting in lieu thereof "September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982." Section 303(b) is amended by striking out "and September 30, 1979," and inserting in lieu thereof "September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982."

(6) The first sentence of section 304(a) is amended by striking out "and September 30, 1979," and inserting in lieu thereof "Septem-

ber 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982."

(7) Section 403(g) is amended by striking out "and September 30, 1979," and inserting in lieu thereof "September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982."

(8) Section 404 is amended by striking out "and September 30, 1979," and inserting in lieu thereof "September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982."

(9) Section 509(d) (1) is amended by striking out "and September 30, 1979," and inserting in lieu thereof "September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982." Section 509(d) (2) is amended by striking out "and September 30, 1979," and inserting in lieu thereof "September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982."

(10) Section 905 is amended by striking out "and September 30, 1979," and inserting in lieu thereof "September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982."

(11) Section 1007 is amended by striking out "September 30, 1979," and inserting in lieu thereof "September 30, 1982."

Sec. 2. Section 2 of the Act entitled "An Act to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for titles I through IV through fiscal year 1971", approved July 6, 1970 (Public Law 91-304), as amended, is amended by striking out "September 30, 1979," and inserting in lieu thereof "September 30, 1982."

Sec. 3. The Appalachian Regional Development Act of 1965 is amended as follows:

(1) Section 105(b) is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and not to exceed \$6,700,000 for the two-fiscal-year period ending September 30, 1981 (of such amount not to exceed \$1,100,000 shall be available for expenses of the Federal cochairman, his alternate, and his staff), and not to exceed \$3,350,000 for the fiscal year ending September 30, 1982 (of such amount not to exceed \$550,000 shall be available for expenses of the Federal cochairman, his alternate, and his staff)."

(2) Section 106(7) is amended by striking out "1979" and inserting in lieu thereof "1982."

(3) Section 201(g) is amended by striking out "and \$170,000,000" and inserting in lieu thereof "\$215,000,000" and by inserting before the period at the end of such section the following: "and \$215,000,000 for fiscal year 1982."

(4) Section 214(c) is amended by striking out "1978" and inserting in lieu thereof "1980."

(5) Section 401 is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and \$300,000,000 for the two-fiscal-year period ending September 30, 1981, and \$140,000,000 for the fiscal year ending September 30, 1982."

(6) Section 405 is amended by striking out "1979" and inserting in lieu thereof "1982."

Mr. RANDOLPH. Mr. President, I ask for the opportunity to speak briefly.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. RANDOLPH. Mr. President, we are considering in the early evening of this session today very important legislation that embraces the constructive programs of the Economic Development Administration, the Appalachian Regional Commission, and the other eight commissions authorized under Title V of the EDA Act.

Mr. President, in 1965, from the Committee on Public Works, now the Com-

mittee on Environment and Public Works, we brought to this very Chamber these measures.

That situation causes me for a moment to say that those measures were very carefully considered by the members of our committee at that time.

What we did in the committee, after the most careful, yet constructive, consideration was to bring to the attention of our colleagues in the Senate two measures, to benefit the men and women of this country.

Those who were members of our committee in 1965 were part of the beginning of an effort that continue today and flourishes. They were, in addition to myself, Stephen M. Young, Edmund S. Muskie, Ernest Gruening, Frank E. Moss, B. Everett Jordan, Daniel K. Inouye, BIRCH BAYH, Joseph M. Montoya, Fred R. Harris, John Sherman Cooper, Hiram L. Fong, J. Caleb Boggs, James B. Pearson, George Murphy, and Robert P. Griffin.

Today, I am joined in the continued review and revision of these important programs by MIKE GRAVEL, LLOYD BENTSEN, QUENTIN BURDICK, JOHN CULVER, GARY HART, DANIEL PATRICK MOYNIHAN, GEORGE MITCHELL, ROBERT T. STAFFORD, HOWARD BAKER, PETE DOMENICI, JOHN CHAFEE, ALAN SIMPSON, and LARRY PRESSLER.

These programs since that date have carried with them substantial activities which have benefited the health of the people throughout this country.

We have improved the processes of quality education. We have provided for very, very necessary public facilities to benefit communities, large and small.

We have helped in the development of a further network of roads in Appalachia which have strengthened the economy and benefited the people of our 13-State region.

We have, of course, given aid to business, business that, in many instances, had it not been for the catalyst of EDA, could not have been saved or started. I believe tens of thousands of jobs that are now gainful employment for people throughout this country can be attributed to the fact that this was the core of it all, to bring the other elements into an active program. Had it not been for EDA, with the assistance of ARC and other agencies, we would not have as strong an economy as we have at the present time.

Community development, through this aid to industry, commerce, and business, has caused me many, many times to feel that the purpose of this Chamber in the passage of legislation creating active programs, is to build a better America. We are back again this evening, not with a conference report which we had thought we could arrange between the two bodies, but we are here to take action on a compromise that has been arranged and in which the House has participated.

Therefore, for the purposes of the record, it is a privilege for me to stand side by side with ROBERT T. STAFFORD, of Vermont. Next year he will become the chairman of our committee, a committee which has not had partisanship surface, which sometimes, if not discourag-

ing, is distasteful. We have never had that. We have had differences, understandably so, and these are very proper and right. But we have worked together, the majority and the minority and the minority and the majority. We have worked as a committee of members with the essential desire and determination which is paramount, to strengthen this country in the process or the use of these two measures incorporated into one bill.

So, Mr. President, I support and I support strongly the amendment of the House to S. 3152. This measure extends the Appalachian Regional Development Act, and the Public Works and Economic Development Act. The Senate, as will be recalled, passed this legislation prior to November 4. During that recess, it became apparent that the conference committee on S. 914, which was passed last year, could not resolve the remaining differences. I do not quarrel with those differences except to say that, in the Senate, we thought we must hew more closely to the lines which we had drafted in our original bill.

We had further negotiations, Mr. President, after the Senate's passage of S. 3152, then the election. We continued to work to demonstrate, but it was impossible to reach an agreement and pass what we would have liked very much, a conference report on S. 914.

Mr. President, with my colleagues, we come now to the adoption of the House amendment to S. 3152, in which the only change is the adding of an additional year of authorization, fiscal year 1982, to apply to both programs. The bill, as passed by the Senate and as amended in the House is simply a 3-year extension of the existing programs.

These two programs are for economic growth and development and for the well-being of men and women who live in various regions of this country, but what is done in one region benefits another. We pass on the results and strengthen the entire Nation through a better economy.

Authorizations in the bill are continued at the level authorized for the fiscal year 1979; thus, we have a major reduction from that proposed by the two Houses in S. 914. We would have \$1 billion annually for EDA. That would run for a period of 3 years. There is \$500 million for the Appalachian Regional Commission, running to 3 years, which would bring us a total of \$4.5 billion during the 3-year period.

We hope, Mr. President, in a few minutes, to bring this legislation to passage and we believe that the President of the United States will wish to sign it. We do know that the bill—and it is important to stress this—recognizes the budgetary problems that face the people of this country. At the same time, we are going to continue to commit ourselves as a Congress and an administration to what we call a valuable and a workable program.

So, Mr. President, what began 15 years ago, we hope we are continuing tonight—keeping the sinews of that program—not attempting in any way to dwarf what we have done. Having been unable to agree to a conference report, both bodies

agreed that we should move forward over the period of which I have spoken.

I hope that Senator STAFFORD, because he and other members of the committee have been most cooperative and active, will call attention to the pending amendment.

Mr. STAFFORD. Mr. President, on behalf of the Republican conferees representing the Senate Environment and Public Works Committee on economic development legislation, I wish to make some brief remarks in support of S. 3152, which has just been returned to this body from the House of Representatives with an amendment. As amended, S. 3152 contains a simple extension of existing statutory authority for programs authorized by the Public Works and Economic Development Act and the Appalachian Regional Commission Act through fiscal year 1982. The House has simply taken the bill which this body passed on September 26 and extended these programs for an additional fiscal year.

This extension has been made necessary by the failure of House and Senate conferees on S. 914 to reach an agreement on a comprehensive bill to substantially expand Federal economic development programs.

More than 1 year has passed since the House and Senate first passed this legislation. After repeated but unsuccessful attempts to work out differences between our respective versions, the conferees, on September 18, 1980, decided to suspend their formal efforts on S. 914. Instead, we agreed to introduce a simple extension of existing statutory authorities for the economic development and regional commission programs through fiscal year 1981. Accordingly, Senator RANDOLPH and I introduced S. 3152, which passed the Senate on September 26. The House of Representatives took up this bill today, amending it to extend EDA, and the other Appalachian Regional Commissions, through fiscal year 1982.

I have consulted with the leadership on our side of the aisle and understand that there is no objection to accepting the House-passed bill. In fact, it is identical to the proposal that I encouraged the conferees to accept when it became clear that we would be unable to agree on S. 914. It serves the useful purpose of keeping these programs intact until the 97th Congress is able to address their future disposition. As a practical matter, it is unlikely that Congress would be able to act with finality on economic development legislation prior to the May 15, 1981, deadline for bills authorizing appropriations for fiscal year 1982.

I anticipate that the incoming administration of President-elect Reagan will want to carefully examine these programs and make recommendations of its own. This simple extension provides adequate time for such a review but does not disrupt the on-going programs. Neither does it bias any thinking which the new Congress may bring to bear on these programs.

Finally, I might add that the fiscal year 1981 appropriation bill for the Economic Development Administration program does fall within the authorizations proposed by the simple extension, and

those appropriations are within the budget resolution. As a result of the Appropriations Committee's action, EPA's budget for fiscal year 1981 will be increased from \$550 to \$664 million.

Mr. President, I urge my colleagues to approve the bill before us.

Mr. President, I join with my friend, the distinguished chairman of the Committee on Environment and Public Works, in urging our colleagues to approve the bill before us.

Mr. President, I yield the floor.

Mr. RANDOLPH. Mr. President, I have just this postscript in a sentence or two. It is customary at times to recognize, and at other times, the record will reflect later, the assistance of members of our staff, regardless of whether they be majority or minority. I know that Senator STAFFORD and I want very much not to be reluctant but to be very eager to thank all those on the staff of the committee who have worked very, very earnestly to help bring about this result.

We are appreciative of the efforts of John Yago, Bailey Guard, Richard Harris, Philip Cummings, Richard Greer, Jackie Schafer, Steve Swain, and Ann Garabrant.

Philip McGance, able administrative assistant in our personal office, has labored in behalf of EDA and Appalachia projects for long, long hours. He knows what it means to a community and to its people to have this assistance which many, many times has been the difference between the closing or continued operation of a plant, sometimes combining with other funding, including that from private sources. Thus plants were improved and kept open; new ones were established and workers were gainfully employed. In a personal and official way and for the people of West Virginia I say, thanks Phil.

I want also, Mr. President, to indicate that I am very hopeful that HOWARD BAKER, the Senator from Tennessee, who is now a member of our committee, will remain a member of the committee. He moves now to the majority leadership, but I hope that nothing will keep him from continuing as a member of our committee, where his advice and counsel and his advocacy have been important elements of what we have done.

Mr. STAFFORD. Mr. President, if the distinguished Senator will yield briefly, I would like to join in expressing our appreciation for the staff assistance to all of us.

I am happy to tell my beloved chairman that I have discussed Senator BAKER's remaining on the committee and he has told me he expects to do so.

Mr. RANDOLPH. That is good news this evening.

Then I desire also, before we call for the concurrence in the amendment, to speak of the assistance of the majority leader (Mr. ROBERT C. BYRD) in connection with this legislation.

He has been from the beginning a strong supporter of what we have done. We both know that today he and HOWARD BAKER have been very helpful in arranging for us to bring this measure to a conclusion.

From the standpoint of the Hill, we

know that President Carter wishes to sign this legislation and, in doing so, does it not as a Democratic President, but as a President of the United States of America.

I would say the same of another President were he in office, because when legislation here can be reflected from both the Hill and the White House and go to the people, not just dollars to be spent, but dollars that are an investment, and after they have been expended there is a dividend for the American people down the road, wherever these programs bear fruit.

Mr. President, I move that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. Is there objection to the motion?

Without objection, the motion was agreed to.

Mr. RANDOLPH. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FEDERAL SUPPLEMENTAL UNEMPLOYMENT COMPENSATION

Mr. LONG. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 8146.

The Presiding Officer laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 8146) to provide a program of Federal supplemental unemployment compensation and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

UP AMENDMENT NO. 1780

(Purpose: To correct drafting error)

Mr. LONG. Mr. President, I ask unanimous consent that the Senate be permitted to recede and concur in their own amendments with an amendment which I now send to the desk. This amendment would correct a drafting error in one of the sections added by the Senate so that the section will in fact do what it was described as doing.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. LONG) proposes an unprinted amendment numbered 1780:

In paragraph (4) (B) of section 202(a) of the Federal-State Extended Unemployment Compensation Act of 1970, as added by section 10 of the Senate Amendment, insert "multiplied by 20" after "available to the State").

Mr. LONG. Mr. President, this amendment would correct a drafting error in one of the sections added by the Senate so that the section will do what it was described as doing.

Mr. STAFFORD. Will the distinguished Senator yield?

Mr. LONG. Yes.

Mr. STAFFORD. Has this matter been cleared on my side of the aisle?

Mr. LONG. This was cleared with the minority staff of the Finance Committee and I believe it was with Senator DOLE. If there is any doubt, I would be glad to straighten it out. The Senator will be one of the conferees on the bill, and it is strictly a drafting error.

The staff, in drafting the language, simply failed to draft it properly and they put the wrong number in at one point.

Mr. STAFFORD. It is my understanding that this is a change that is going into conference, in any event.

Mr. LONG. Yes, and, to my knowledge, the staff well understands what this is.

Mr. STAFFORD. Senator DOLE will be one of the conferees?

Mr. LONG. Yes.

Mr. President, has the amendment been agreed to?

The PRESIDING OFFICER. The request has been agreed to.

Mr. LONG. Mr. President, I move that the Senate insist on its amendments and request a conference with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. BOREN) appointed Messrs. LONG, TALMADGE, HARRY F. BYRD, JR., BOREN, BRADLEY, DOLE, CHAFFEE, and HEINZ conferees on the part of the Senate.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ACCESS PROVISION IN THE ALASKA LANDS BILL

Mr. MELCHER. Mr. President, we have finally had an opportunity to read the fine print in the long and detailed statement put into the RECORD by Congressman UDALL with regard to section 1323, Access, of the Senate compromise amendment to H.R. 39, the Alaska National Interest Lands Conservation Act. Congressman UDALL says:

Although the amendment is ambiguously drafted and not expressly limited to Alaskan lands, the House believes that, as with all other provisions of the bill, the language of the section applies only to lands within the State of Alaska. Reference in an earlier section of his remarks dealing with "General issues" under the National Parks section also indicated that "various authorities granted to the Secretary and the Secretary of Agriculture . . . apply only to the State of Alaska."

Mr. President, this belief expressed by Mr. UDALL is in complete error. I was the author of section 1323 and the language certainly was not designed or intended to apply only to Alaska lands. Furthermore, the Senate intent with its own language was made quite clear by the Senate committee report at page 310 which I am inserting at this point. The committee said:

The committee amendment is designed to resolve any lingering legal questions by making it clear that non-Federal landowners have a right of Access.

A statement in the House that the language applies only to Alaska is an outright attempt to amend the Senate language and limit its application. The Members of the House had a clear understanding of the meaning and intent of the language in section 1323 because I met personally with both Mr. UDALL and Mr. SEIBERLING on the matter to make its meaning and intent clear. It would be a charade of fine print to limit application of section 1323 to Alaskan lands. This is made even more transparent when you consider that section 1110 of the bill deals specifically with special access and access to inholdings in Alaska. Let me insert section 1110 at this point with section 1323.

Note that section 1323 provides no more than section 1110(b) provides for Alaskans. That is why section 1323 was added by the Senate committee in order to provide equity to other National Forest System and BLM inholders. The Senate committee intends outside of Alaska to provide for others who own land within or effectively surrounded by one or more units of the National Forest System or of public lands administered by the Secretary of the Interior under the Federal Land Policy and Management Act of 1976 such rights as may be necessary to assure adequate and feasible access for economic and other purposes, subject, of course, to reasonable rules and regulations.

Mr. President, the House was unable to muster the necessary support to amend the Senate compromise Alaska lands bill; certainly their attempts to amend it with fine print in the Record will not stand. The Senate intent on the floor, in the committee report and through the entire Senate committee markup is clear. Section 1323 is not limited to Alaska and was not intended to be limited to Alaska.

Mr. President, I ask unanimous consent to have certain sections on Access printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

ACCESS

SEC. 1323. (a) Notwithstanding any other provision of law, and subject to such terms and conditions as the Secretary of Agriculture may prescribe, the Secretary shall provide such access to nonfederally owned land within the boundaries of the National Forest System as the Secretary deems adequate to secure to the owner the reasonable use and enjoyment thereof: *Provided*, That such owner comply with rules and regulations applicable to ingress and egress to or from the National Forest System.

(b) Notwithstanding any other provision of law, and subject to such terms and conditions as the Secretary of the Interior may prescribe, the Secretary shall provide such access to nonfederally owned land surrounded by public lands managed by the Secretary under the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701-82) as the Secretary deems adequate to secure to the owner the reasonable use and enjoyment thereof: *Provided*, That such owner comply with rules and regulations applicable to access across public lands.

YUKON FLATS NATIONAL WILDLIFE REFUGE AGRICULTURAL USE

SEC. 1324. Nothing in this Act or other existing law shall be construed as necessarily prohibiting or mandating the development of agricultural potential within the Yukon Flats

tive to any challenge within one hundred and twenty days from the date such challenge is brought unless such court determines that a longer period of time is required to satisfy the requirements of the United States Constitution.

(c) No court shall have jurisdiction to grant any injunctive relief lasting longer than ninety days against any action pursuant to this title except in conjunction with a final judgment entered in a case involving an action pursuant to this title.

VALID EXISTING RIGHTS

SEC. 1109. Nothing in this title shall be construed to adversely affect any valid existing right of access.

SPECIAL ACCESS AND ACCESS TO INHOLDINGS

SEC. 1110. (a) Notwithstanding any other provision of this Act or other law, the Secretary shall permit, on conservation system units, national recreation areas, and national conservation areas, and those public lands designated as wilderness study, the use of snowmachines (during periods of adequate snow cover, or frozen river conditions in the case of wild and scenic rivers), motorboats, airplanes and nonmotorized surface transportation methods for traditional activities (where such activities are permitted by this Act or other law) and for travel to and from villages and homesites. Such use shall be subject to reasonable regulations by the Secretary to protect the natural and other values of the conservation system units, national recreation areas, and national conservation areas, and shall not be prohibited unless, after notice and hearing in the vicinity of the affected unit or area, the Secretary finds that such use would be detrimental to the resource values of the unit or area. Nothing in this section shall be construed as prohibiting the use of other methods of transportation for such travel and activities on conservation system lands where such use is permitted by this act or other law.

(b) Notwithstanding any other provisions of this Act or other law, in any case in which State owned or privately owned land, including subsurface rights of such owners underlying public lands, or a valid mining claim or other valid occupancy is within or is effectively surrounded by one or more conservation system units, national recreation areas, national conservation areas, or those public lands designated as wilderness study, the State or private owner or occupier shall be given by the Secretary such rights as may be necessary to assure adequate and feasible access for economic and other purposes to the concerned land by such State or private owner or occupier and their successors in interest. Such rights shall be subject to reasonable regulations issued by the Secretary to protect the natural and other values of such lands.

SECTION 1324: ACCESS

This section is designed to remove the uncertainties surrounding the status of the rights of the owners of non-Federal lands to gain access to such lands across Federal lands. It has been the Committee's understanding that such owners had the right of access to their land subject to reasonable regulation by either, the Secretary of Agriculture in the case of national forests, or by the Secretary of the Interior in the case of public lands managed by the Bureau of Land Management under the Federal Land Policy

and Management Act of 1976. However, a recent District Court decision in Utah (*Utah v. Andrus et al.*, C79-0037, October 1, 1979, D. C. Utah) has cast some doubt over the status of these rights. Furthermore, the Attorney General is currently reviewing the issue because of differing interpretations of the law by the Departments of Agriculture and the Interior.

The Agriculture Department believes that non-Federal landowners have the right of access to national forest lands subject to reasonable rules and regulations. They find nothing in the Organic Act of 1897 (16 U.S.C. 473-478, 479-482, 551) or the Wilderness Act which precludes such access. In fact, they interpret section 5(a) of the Wilderness Act (16 U.S.C. 1131-1136) as mandating access to non-Federal in holdings within national forest wilderness.

The Interior Department on the other hand, interprets section 5(c) of the Wilderness Act as expressly authorizing denial of access to such inholders in wilderness areas. Based on that interpretation, Interior then concludes that the provisions for wilderness review of public lands organized by BLM in section 603(c) of the Federal Land Policy and Management Act also authorized denial of access across public lands subject to wilderness review.

The Committee amendment is designed to resolve any lingering legal questions by making it clear that non-Federal landowners have a right of access. National Forests and public land, subject, of course, to reasonable rules and regulations.

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREE- MENT—DEFENSE DEPARTMENT APPROPRIATIONS, H.R. 8105

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees are recognized under the standing order, the Senate then proceed to the consideration of the Defense Department appropriation bill, Calendar No. 1152, H.R. 8105.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object, will the majority leader withhold his request momentarily, while I check with one last clearance on that matter?

Mr. ROBERT C. BYRD. Yes.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I temporarily withdraw my request.

(The following proceedings occurred later:)

Mr. ROBERT C. BYRD. Mr. President, I renew my previous request anent the Defense Department appropriation bill.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, I am happy to say that there is no objection to the request of the majority leader in respect to consideration of the defense appropriation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

METHANE TRANSPORTATION, RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACT OF 1980

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1134, H.R. 6889.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 6889) entitled the "Methane Transportation, Research, Development, and Demonstration Act of 1980".

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BAKER. Mr. President, there is no objection.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources with amendments, as follows:

On page 3, line 11, strike "and";
On page 3, line 17, strike "amended" and insert the following:
amended; and

(5) supplement, but neither supplant nor duplicate, the automotive propulsion system research and development efforts of private industry.

On page 5, line 14, strike "determine" and insert "conduct research and development on";

On page 6, after line 20, insert the following:

(d) (1) The Secretary of Energy shall insure that the conduct of the research and development program of this Act—

(A) supplements the automotive propulsion system research and development efforts of industry;

(B) is not formulated in a manner that will supplant private industry research and development or displace or lessen industry's research and development; and

(C) avoids duplication of private research and development.

(2) To that end, the Secretary of Energy shall issue administrative regulations, within 60 days after the date of the enactment of this Act, which shall specify procedures, standards, and criteria for the timely review for compliance of each new contract, grant, Department of Energy project, or other agency project funded or to be funded under the authority of this Act. Such regulations shall require that the Secretary of Energy or his designee shall certify that each such contract, grant, or project satisfies the requirement of this subsection, and shall include in such certification a discussion of the relationship of any related or comparable industry research and development, in terms of this subsection, to the proposed research and development under the authority of this Act. The discussion shall also address related

issues, such as cost sharing and patent rights.

(3) Such certification shall be available to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. The provisions of chapter 5 of title 5, United States Code, shall not apply to such certifications and no court shall have any jurisdiction to review the preparation or adequacy of such certifications; but section 553 of title 5, United States Code, and section 17 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended, shall apply to public disclosure of such certifications.

(4) The Secretary of Energy also shall include in the report required by section 9 of this Act a detailed discussion of how each research and development contract, grant, or project funded under the authority of this Act satisfies the requirement of this subsection.

(5) Further, the Secretary of Energy in each annual budget submission to the Congress, or amendment thereto, for the programs authorized by this Act shall describe how each identified research and development effort in such submission satisfies the requirements of this subsection.

(6) The provisions and requirements of this subsection shall not apply with respect to any contract, grant, or project which was entered into, made, or formally approved and initiated prior to the enactment of this Act, or with respect to any renewal or extension thereof.

On page 11, line 8, strike "rules and regulations" and insert "guidelines for demonstrations";

On page 15, line 6, strike "regulations" and insert "guidelines";

On page 15, line 8, strike "Such" through and including line 12;

On page 18, after line 9, insert the following:

RELATIONSHIP TO OTHER LAWS

Sec. 11. (a) Nothing in this Act shall be construed as authorizing the Secretary or any other official with respect to any activity pursuant to this Act to modify or waive the application of any Federal, state or local laws dealing with the production, transportation, storage, safety, use or pricing of methane.

(b) Nothing in this Act shall be construed as granting the Secretary or any other Federal official any authority to promulgate rules of general application to regulate the production, transportation, storage, safety, use or pricing of methane as a transportation fuel or vehicles which use methane as a transportation fuel.

UP AMENDMENT NO. 1781

Mr. FORD. Mr. President, I send to the desk an amendment for the distinguished Senator from Ohio (Mr. METZENBAUM). This has been cleared with all our committee members. We have several amendments at the desk. There are four amendments by the distinguished Senator from Idaho (Mr. McCLURE); and if there is no objection, I move that the amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object—and I will not object—I thank the Senator from Kentucky for advising me that amendments of the Senator from Idaho (Mr. McCLURE) are included. That is our only requirement. We have no objection to the request.

Mr. FORD. I say to the distinguished minority leader that Senator McCLURE and I discussed this, and he has more

than one, and it has been covered adequately.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk read as follows:

The Senator from Kentucky (Mr. FORD) proposes an unprinted amendment numbered 1781.

Mr. FORD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with and that the amendments, including the amendments by the Senator from Ohio (Mr. METZENBAUM) be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments considered en bloc are as follows:

On page 4, strike lines 8 through 10, and insert in lieu thereof the following:

"(d) the term 'private entities' means any person, such as any organization incorporated under State law, for profit or not-for-profit, or a consortium of such organizations, but does not include public entities; and"

On page 4, lines 17 and 18, strike "October" and insert in lieu thereof "February".

On page 5, lines 21 and 22, and on page 5, line 25 and page 6, line 1, strike "related transmission and storage facilities" and insert in lieu thereof "methane transmission, storage and dispensing facilities".

On page 6, lines 8 through 11, strike paragraph (6), and insert in lieu thereof the following:

"(6) determine that the participants in each demonstration assisted under this Act have made satisfactory arrangements to obtain an adequate supply of methane for vehicular use in the project."

On page 9, line 1, strike "BETWEEN/" and "THE SECRETARY AND".

On page 10, strike lines 5 and 6, and insert the following in lieu thereof, "for vehicular propulsion purposes;"

On page 10, line 12, after "sources" add ", as provided for in other authorization acts".

On page 10, lines 20 through 23, strike paragraph (8), and insert in lieu thereof the following:

"(8) overcoming institutional barriers to widespread use, including but not limited to restrictions on the transportation of methane for vehicular use through tunnels, and the potential expansion of the distribution of methane for vehicular purposes."

On page 11, lines 13 and 14, strike "facilities for the transmission and storage of methane as a vehicular fuel", and insert in lieu thereof "methane transmission, storage and dispensing facilities,".

On page 11, line 24, strike "equipment" and insert in lieu thereof "facilities".

On page 12, line 19, strike "equipment" and insert in lieu thereof "facilities".

On page 16, strike lines 24 and 25, and on page 17 strike line 1, and insert in lieu thereof the following:

"Sec. 9. The Secretary shall submit to the Senate and the House of Representatives, for referral to the appropriate committees, such re-"

Mr. FORD. Mr. President, on September 26, 1980, the Committee on Energy and Natural Resources reported H.R. 6889, the Methane Transportation Research, Development and Demonstration Act of 1980.

I chaired joint hearings on this bill on September 23, 1980. Testimony showed that the bill has wide support and should be enacted. The joint hearings between

our committee and the Commerce Committee started with testimony from Senator HOLLINGS, the distinguished chairman of the Budget Committee, and the author of S. 3007, a similar bill. We also heard from the author of the bill on the House side, Congressman DAN GLICKMAN, who has done an excellent job in putting this bill together and getting it through the House. All of the witnesses from industry and the environmental groups were strong supporters of the bill. The only pall that was thrown on the bill was by, of all people, the representatives from the Department of Energy. Their only reservation was that they wanted to study the proposition of using methane fuel first, before committing to a large-scale demonstration program.

Mr. President, the time for study is long past. Methane is being used by 15,000 vehicles in this country, and was the subject of extensive testing by GSA, back in 1970. Testimony in our hearings showed that if we did use methane in just one-tenth of the 6 million fleet vehicles, which are most readily convertible, we could save up to 80,000 barrels per day of gasoline. Furthermore, with a kit to convert to a dual fuel capacity car, it would take a mechanic under 8 hours to do the conversion.

But the hearings also showed that industry and fleet owners are reluctant to invest in conversion to dual fuel capacity because of a lack of Government policy in this area. For example, the Department of Transportation representative testified that "none of the DOT administrations concerned have plans to develop regulations governing methane systems in private or commercial vehicles." He also said that such fuels for use in vehicular propulsion are only partially regulated by the Department.

But before we let DOT regulate these vehicles we must learn what they do, how they operate, and demonstrate to industry the benefits and disadvantages. That is the purpose of this bill.

The bill would provide a program for advanced and accelerated research into methane vehicle design, methane distributions systems, and methane facilities. It would also demonstrate the economic and technological practicalities of methane-fueled vehicles for fleet use and on-farm operations. The Department of Energy would be the lead agency to conduct this research, development and demonstration program. The bill would result in the initiation of 50 fleet demonstrations, of no less than 50 vehicles each, over the next 3 years.

Methane is an attractive transportation fuel because of its several characteristics which make it an inherently safer vehicular fuel than petroleum based fuels. Methane is noncorrosive, lighter than air, and has an ignition temperature that is 500° F higher than gasoline. Methane also has a high research octane rating of 120, and as a result it is a particularly efficient fuel in conventional internal combustion engines with high compression ratios, and could potentially even be more efficient with engines specifically designed for methane operations.

According to an analysis by the

American Gas Association, fuel costs for conventional, natural gas powered vehicles are about 25 to 50 percent less than those for comparable gasoline or electric powered vehicles. The costs associated with vehicle conversions could be recouped quickly because of the differential between petroleum based transportation fuel and methane.

Mr. President, I urge the enactment of this bill.

Mr. HOLLINGS. Mr. President, as we all know, a major cause of our Nation's current economic difficulties is the continued importation of expensive foreign oil. One of the primary uses of this oil is in the transportation sector. In fact, meeting the daily fuel requirements of the vehicles of the American people takes up a large portion of not only the imported oil but an increasingly large amount of our domestically produced oil. The threat posed to our Nation by continued reliance on foreign energy supplies is potentially devastating. On a day-to-day basis, the dependence weakens us economically and our national security is put at risk by the threat of an oil cutoff. Clearly, it is important that we take steps now to reduce the amount of oil used in the transportation sector of the economy, particularly in light of the possibility of a world oil shortage in the coming months if the war between Iran and Iraq continues. There is no simple, single solution to this problem.

The legislation is designed to make possible the use of methane in the transportation sector which could help bolster our economy. The Methane Transportation Research and Development and Demonstration Act of 1980, offers our Nation the opportunity to utilize a fuel which has a variety of benefits when compared to other transportation fuels now in use or under consideration by private companies and the Federal Government.

Natural gas, which is composed of 95 percent methane, is our country's most abundant source of this domestically produced fuel. As indicated in the bill, methane is also derived from such domestic sources as coal gas, Devonian shale, tight sands, geopressured zones, coal seams, and such renewable resources as marine and land biomass, peat, and organic and municipal wastes.

Of importance, methane has the potential for reducing the cost of transportation fuel to the consumer. The rate of return on this small investment would be great. Presently, methane costs the equivalent of 65 cents per gallon of gasoline.

Another major advantage of methane-powered vehicles is based on environmental considerations. Generally, all types of emissions associated with methane-powered vehicles are of lower levels than those associated with vehicles powered with other fossil fuels. On a total energy cycle basis (from energy source to end use) all types of emissions associated with methane-powered vehicles are lower than those from vehicles powered by gasoline from oil, coal, or shale.

Currently there are less than 20,000 methane-powered vehicles operating in

the United States. This is another example of where our country lags behind other nations. By contrast, an estimated 400,000 motor vehicles burning gaseous fuels are in use worldwide. There are over 250,000 natural gas powered vehicles in Italy alone and New Zealand has recently announced a program to convert 150,000 vehicles to natural gas by 1983. Even the Soviet Union intends to convert most of the buses in the city of Moscow to methane. Clearly, methane has been proven to be a viable and economic transportation fuel for vehicles.

The rapid development of this alternative fuel technology in the United States, however, is being hindered by economic and institutional barriers founded on a data base of outdated economic and gas supply studies and restrictive laws which do not apply to the modern methane transportation situation. This measure, Mr. President, calls for funds to support advanced and accelerated research, development, and demonstration of methane use in Government, commercial, and commuter vehicle fleets as well as for various agricultural vehicular uses.

This legislation will help reduce the need for continued importation of foreign oil, will promote energy independence for the United States, and will help cut air pollution in major metropolitan areas. It can also accelerate development of unconventional sources of natural gas. All this can be done while providing vehicle operators with a cheaper and cleaner domestically obtained fuel than that which is currently in use.

Mr. President, I urge the adoption of this measure.

Mr. FORD. Mr. President, I ask unanimous consent to have printed in the RECORD an explanation of the amendments.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXPLANATION OF AMENDMENTS

Amendment No. 1: This amendment will revise the definition of private entities which appears in the bill, to include individuals and non-incorporated persons, except for those entities which are "public entities".

Amendment No. 2: This amendment requires the Secretary of Energy to designate the organization within DOE that will be the lead agency to carry out the Secretary's duties under the Act before February 1, 1981, rather than October 1, 1981.

Amendment No. 3, 9, 10, and 11: These amendments make conforming changes to make the term "methane transmission, storage and dispensing facilities" consistent throughout the bill.

Amendment No. 4: This amendment requires that the Secretary determine whether or not participants in each demonstration project have been able to make satisfactory arrangements to obtain adequate supplies of methane for use in the project. The bill presently requires that the Secretary assure that there will be adequate continuous supplies of methane available.

Amendment No. 5: Technical change.

Amendment No. 6: This amendment requires that the research and development work on handling, storage and distribution of methane will be for vehicular fuel purposes.

Amendment No. 7: This amendment requires that the Secretary perform research and development on new sources of methane

pursuant to other authorizations, rather than through this authority, which does not directly deal with the subject.

Amendment No. 8: This amendment restricts the Secretary's work to overcoming institutional barriers, and just to the barriers that are inhibiting the use of methane as a vehicular fuel.

Amendment No. 9: This amendment provides that the Secretary will submit all reports to this Act to the Senate and House for referral to the appropriate committees.

The PRESIDING OFFICER. Without objection, all the committee amendments, including the unprinted amendments, are considered and agreed to en bloc.

The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read the third time.

The bill was read a third time, and passed.

Mr. FORD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RELIEF OF TWO MINING CLAIMANTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1136, H.R. 7698.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 7698) for the relief of two mining claimants.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BAKER. There is no objection on this side.

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

ARTS AND HUMANITIES ACT OF 1980

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. PELL, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1386.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1386) entitled "An Act to amend and extend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause, and insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "Arts and Humanities Act of 1980".

TITLE I—AMENDMENTS TO NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES ACT OF 1965

DEFINITIONS

SEC. 101. (a) Section 3(a) of the National Foundation on the Arts and the Humanities

Act of 1965 (20 U.S.C. 952(a)) is amended by striking out "theory, and practice" and inserting in lieu thereof "and theory".

(b) Section 3(d)(1)(B) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 952(d)(1)(B)) is amended by inserting "or the National Council on the Humanities, as the case may be" after "Arts".

(c) Section 3(g) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 952(g)) is amended by inserting "the Northern Mariana Islands," after "American Samoa."

NATIONAL ENDOWMENT FOR THE ARTS

SEC. 102. (a) Section 5(c) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954(c)) is amended—

(1) by inserting "or loans" after "grants-in-aid";

(2) in paragraph (1) thereof, by inserting "and cultural diversity" after "American creativity";

(3) by redesignating paragraph (5) thereof as paragraph (6) thereof, and by inserting after paragraph (4) thereof the following new paragraph:

"(5) programs for the arts at the local level; and"; and

(4) by adding at the end thereof the following new sentence: "Any loans made by the Chairman under this subsection shall be made in accordance with terms and conditions approved by the Secretary of the Treasury."

(b) (1) Section 5(g)(2)(A) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954(g)(2)(A)) is amended by striking out "except that" and all that follows through the end thereof and inserting in lieu thereof a semicolon.

(2) Section 5(g)(4) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954(g)(4)) is amended by adding at the end thereof the following new subparagraph:

"(E) For purposes of paragraph (3)(B), the term 'State' includes, in addition to the several States of the Union, only those special jurisdictions specified in section 3(g) which have a population of 200,000 or more, according to the latest decennial census."

(c) Section 5(k) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954(k)) is amended by adding at the end thereof the following new sentence: "The Chairman may enter into interagency agreements to promote or assist with the arts-related activities of other Federal agencies, on a reimbursable or non-reimbursable basis, and may use funds authorized to be appropriated for the purposes of subsection (c) for the costs of such activities."

(d) Section 5(l)(1) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954(l)(1)) is amended—

(1) by inserting "on a national, State, or local level," after "private nonprofit organizations";

(2) by inserting "strengthening quality by" after "for the purpose of"; and

(3) by redesignating subparagraph (D) and subparagraph (E) as subparagraph (E) and subparagraph (F), respectively, and by inserting after subparagraph (C) the following new subparagraph:

"(D) providing additional support for cooperative efforts undertaken by State arts agencies with local arts groups to promote effective arts activity at the State and local level, including support of professional artists in community-based residencies;"

(e) Section 5 of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954) is amended by striking out subsection (m).

NATIONAL COUNCIL ON THE ARTS

SEC. 103. Section 6(c) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 955(c)) is amended by inserting after the first sentence thereof the following new sentence: "The terms of office of all Council members shall expire on the third day of September in the year of expiration."

NATIONAL ENDOWMENT FOR THE HUMANITIES

SEC. 104. (a)(1) Section 7(f)(2) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(2)) is amended to read as follows:

"(2)(A) Whenever a State desires to designate or to provide for the establishment of a State agency as the sole agency for the administration of the State plan, such State shall designate the humanities council in existence on the date of the enactment of the Arts and Humanities Act of 1980, as the State agency, and shall match from State funds a sum equal to 50 per centum of that portion of Federal financial assistance received by such State under this subsection which is described in the first sentence of paragraph (4) relating to the minimum State grant, or 25 per centum of the total amount of Federal financial assistance received by such State under this subsection, whichever is greater, for the fiscal year involved. In any State in which the State selects the option described in this subparagraph, the State shall submit, before the beginning of each fiscal year, an application for grants and accompany such application with a plan which the Chairman finds—

"(i) designates or provides for the establishment of a State agency (hereinafter in this section referred to as the 'State agency') as the sole agency for the administration of the State plan;

"(ii) provides that the chief executive of the State will appoint new members to the State humanities council designated under the provisions of this subparagraph, as vacancies occur as a result of the expiration of the terms of members of such council, until the chief executive has appointed all of the members of such council;

"(iii) provides, from State funds, an amount equal to 50 per centum of that portion of Federal financial assistance received by such State under this subsection which is described in the first sentence of paragraph (4) relating to the minimum State grant, or 25 per centum of the total amount of Federal financial assistance received by such State under this subsection, whichever is greater, for the fiscal year involved;

"(iv) provides that funds paid to the State under this subsection will be expended solely on programs approved by the State agency which carry out the objectives of subsection (c) and which are designed to bring the humanities to the public;

"(v) provides assurances that State funds will be newly appropriated for the purpose of meeting the requirements of this subparagraph; and

"(vi) provides that the State agency will make such reports, in such form and containing such information, as the Chairman may require.

"(B) In any State in which the chief executive officer of the State fails to submit an application under subparagraph (A), the grant recipient in such State shall—

"(i) establish a procedure which assures that four members of the governing body of such grant recipient shall be appointed by an appropriate officer or agency of such State, except that in no event may the number of such members exceed 20 per centum of the total membership of such governing body; and

"(ii) provide, from any source, an amount equal to the amount of Federal financial assistance received by such grant recipient

under this subsection for the fiscal year involved."

(2) Section 7(f)(3) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(3)) is amended to read as follows:

"(3) Whenever a State selects to receive Federal financial assistance under this subsection for any fiscal year under paragraph (2)(B), any appropriate entity desiring to receive such assistance shall submit an application for such assistance at such time as shall be specified by the Chairman. Each such application shall be accompanied by a plan which the Chairman finds—

"(A) provides assurances that the grant recipient will comply with the requirements of paragraph (2)(B);

"(B) provides that funds paid to the grant recipient will be expended solely on programs which carry out the objectives of subsection (c);

"(C) establishes a membership policy which is designed to assure broad public representation with respect to programs administered by such grant recipient;

"(D) provides a nomination process which assures opportunities for nomination to membership from various groups within the State involved and from a variety of segments of the population of such State, and including individuals who by reason of their achievement, scholarship, or creativity in the humanities, are especially qualified to serve;

"(E) provides for a membership rotation process which assures the regular rotation of the membership and officers of such grant recipient;

"(F) establishes reporting procedures which are designed to inform the chief executive officer of the State involved, and other appropriate officers and agencies, of the activities of such grant recipient;

"(G) establishes procedures to assure public access to information relating to such activities; and

"(H) provides that such grant recipient will make reports to the Chairman, in such form, at such times, and containing such information, as the Chairman may require."

(3)(A) The first sentence of section 7(f)(4) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(4)) is amended by inserting "State and each" before "grant recipient".

(B) The second sentence of section 7(f)(4) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(4)) is amended by inserting "States and" before "grant recipients".

(C) Section 7(f)(4) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(4)) is amended by striking out subparagraph (A) and subparagraph (B) and inserting in lieu thereof the following new subparagraphs:

"(A) 34 per centum of the amount of such excess for such fiscal year shall be available to the Chairman for making grants under this subsection to States and regional groups and entities applying for such grants;

"(B) 44 per centum of the amount of such excess for such fiscal year shall be allotted in equal amounts among the States and grant recipients which have plans approved by the Chairman; and

"(C) 22 per centum of the amount of such excess for such fiscal year shall be allotted among the States and grant recipients which have plans approved by the Chairman in amounts which bear the same ratio to such excess as the population of the State for which the plan is approved (or, in the case of a grant recipient other than a State, the population of the State in which such grant recipient is located) bears to the population of all the States."

(4)(A) Section 7(f)(5)(A) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(5)(A)) is amended

by striking out "Whenever the provisions of paragraph (3)(B) of this subsection apply in any State, that part of any" and inserting in lieu thereof the following: "The amount of each allotment to a State for any fiscal year under this subsection shall be available to each State or grant recipient, which has a plan or application approved by the Chairman in effect on the first day of such fiscal year, to pay not more than 50 per centum of the total cost of any project or production described in paragraph (1). The amount of any"

(B) Section 7(f)(5)(B) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(5)(B)) is amended by inserting "State agency or" before "grant recipient".

(C) Section 7(f)(5) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(5)) is amended by adding at the end thereof the following new subparagraph:

"(E) For purposes of paragraph (4)(B), the term 'State' and the term 'grant recipient' include, in addition to the several States of the Union, only those special jurisdictions specified in section 3(g) which have a population of 200,000 or more, according to the latest decennial census."

(5) Section 7(f)(7) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(7)) is amended—

(A) in subparagraph (A) thereof, by inserting "group or" before "grant recipient";

(B) in subparagraph (B) thereof, by inserting "State agency or" before "grant recipient", and by striking out "plan" and inserting in lieu thereof "State plan or grant recipient application";

(C) in subparagraph (C) thereof, by inserting "group or State agency or" before "grant recipient"; and

(D) in the matter following subparagraph (C) thereof, by inserting "group, State agency, or" before "grant recipient" each place it appears therein.

(6) Section 7(f)(8) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(8)) is amended by striking out "paragraphs (4), (5), and (6)" and inserting in lieu thereof "the third sentence of paragraph (4), and paragraphs (5) and (6)".

(b) Section 7(g) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(g)) is amended by inserting "agency or" before "entity".

(c) Section 7 of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956) is amended by adding at the end thereof the following new subsection:

"(i) The Chairman may enter into inter-agency agreements to promote or assist with the humanities-related activities of other Federal agencies, on either a reimbursable or nonreimbursable basis, and may use funds authorized to be appropriated for the purposes of subsection (c) for the costs of such activities."

NATIONAL COUNCIL ON THE HUMANITIES

SEC. 105. Section 8(f) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 957(f)) is amended by striking out "\$17,500" and inserting in lieu thereof "\$30,000".

FEDERAL COUNCIL ON THE ARTS AND THE HUMANITIES

SEC. 106. (a) Section 9(b) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 958(b)) is amended by inserting "the Commissioner on Aging," after "Services Administration."

(b) Section 9(c) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 958(c)) is amended—

(1) in paragraph (4) thereof, by striking out "and" at the end thereof;

(2) in paragraph (5) thereof, by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(6) undertake studies and make reports which address the state of the arts and humanities, particularly with respect to their economic needs and problems."

(c) Section 9 of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 958) is amended by adding at the end thereof the following new subsections:

"(d)(1) The Council shall conduct a study of the state of employment opportunities for professional artists. Such study shall be undertaken in cooperation and consultation with the Secretary of Labor and shall address in particular (A) the effectiveness of existing Federal programs, such as programs administered under the Comprehensive Employment and Training Act, in serving and enhancing the employment opportunities of professional artists; and (B) the need for new programs to serve and enhance the employment opportunities of professional artists.

"(2) Not later than one year after the date of the enactment of the Arts and Humanities Act of 1980, the Chairman of the Council shall submit a report to the President and to the Congress relating to the results of the study required in paragraph (1), including such findings and recommendations (including legislative recommendations) as may be appropriate. Any recommendation involving changes in Federal legislation shall be accompanied by draft legislation.

"(3) Notwithstanding any other provision of law, no Federal agency or officer of the Federal Government shall have any authority to require the Council to submit the report required in paragraph (2) to any Federal agency or officer of the Federal Government for approval, comments, or review, before submission of such report to the Congress. The President may make such additional comments and recommendations with respect to the contents of such report as he may deem appropriate.

"(e)(1) The Council shall conduct a study of (A) the effectiveness of the program authorized by the Arts and Artifacts Indemnity Act (20 U.S.C. 971 et seq.); (B) the impact and feasibility of expanding the existing indemnity program to include the indemnification of objects loaned by lenders located in the United States for exhibition exclusively in the United States; and (C) other means to encourage and facilitate the wider sharing within the United States of the items described in section 3(a) of the Arts and Artifacts Indemnity Act (20 U.S.C. 972(a)), such as the development of standardized insurance policies and the development of a Federal technical assistance program to improve the curatorial facilities and personnel of museums.

"(2) Not later than one year after the date of the enactment of the Arts and Humanities Act of 1980, the Chairman of the Council shall submit a report to the President and to the Congress relating to the results of the study required in paragraph (1), including such findings and recommendations (including legislative recommendations) as may be appropriate. Any recommendation involving changes in Federal legislation shall be accompanied by draft legislation."

ADMINISTRATIVE PROVISIONS

SEC. 107. (a) Section 10(a)(4) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 959(a)(4)) is amended by inserting "and culturally diverse" after "geographic".

(b) Section 10(b) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 959(b)) is amended by strik-

ing out "January" and inserting in lieu thereof "April".

(c) Section 10(c) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 959(c)) is amended by striking out "January" and inserting in lieu thereof "April".

(d) Section 10 of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 959) is amended by adding at the end thereof the following new subsection:

"(d)(1) The Chairman of the National Endowment for the Arts and the Chairman of the National Endowment for the Humanities each shall conduct a study of the use, sale, or other disposal of property under subsection (a)(2) for the purpose of carrying out sections 5(c) and 7(c). Each such study shall assess in particular (A) the effectiveness of such use, sale, or other disposal of property as an incentive for increasing the levels of non-Federal support; and (B) the extent to which activities carried out by each such Chairman under subsection (a)(1) result in undue administrative and financial burdens upon grant recipients.

"(2) Not later than two years after the date of the enactment of the Arts and Humanities Act of 1980, each Chairman shall submit a report to the President and to the Congress relating to the results of the studies required in paragraph (1), including such findings and recommendations (including legislative recommendations) as may be appropriate. Any recommendation involving changes in Federal legislation shall be accompanied by draft legislation."

AUTHORIZATION OF APPROPRIATIONS

SEC. 108. (a) The first sentence of section 11(a)(1)(A) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 960(a)(1)(A)) is amended to read as follows: "For the purpose of carrying out section 5(c), there are authorized to be appropriated to the National Endowment for the Arts \$115,500,000 for fiscal year 1981, \$127,000,000 for fiscal year 1982, \$140,000,000 for fiscal year 1983, \$154,000,000 for fiscal year 1984, and \$170,000,000 for fiscal year 1985."

(b) The first sentence of section 11(a)(1)(B) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 960(a)(1)(B)) is amended to read as follows: "For the purpose of carrying out section 7(c), there are authorized to be appropriated to the National Endowment for the Humanities \$114,500,000 for fiscal year 1981, \$126,000,000 for fiscal year 1982, \$138,500,000 for fiscal year 1983, \$152,000,000 for fiscal year 1984, and \$167,500,000 for fiscal year 1985."

(c) Section 11(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 960(a)(2)) is amended to read as follows:

"(2)(A) There are authorized to be appropriated for each fiscal year ending before October 1, 1985, to the National Endowment for the Arts an amount equal to the sum of—

"(i) the total amounts received by such Endowment under section 10(a)(2), including the value of property donated, bequeathed, or devised to such Endowment; and

"(ii) the total amounts received by the grantees of such Endowment from non-Federal sources, including the value of property donated, bequeathed, or devised to such grantees, for use in carrying out projects and other activities under paragraph (1) through paragraph (5) of section 5(c); except that the amounts so appropriated to the National Endowment for the Arts shall not exceed \$18,500,000 for fiscal year 1981, \$18,500,000 for fiscal year 1982, \$18,500,000 for fiscal year 1983, \$20,000,000 for fiscal year 1984, and \$22,500,000 for fiscal year 1985.

"(B) There are authorized to be appropriated for each fiscal year ending before October 1, 1985, to the National Endowment for the Humanities an amount equal to the sum of—

"(i) the total amounts received by such Endowment under section 10(a)(2), including the value of property donated, bequeathed, or devised to such Endowment; and

"(ii) the total amounts received by the grantees of such Endowment from non-Federal sources, including the value of property donated, bequeathed, or devised to such grantees, for use in carrying out activities under paragraph (1) through paragraph (7) of section 7(c);

except that the amounts so appropriated to the National Endowment for the Humanities shall not exceed \$12,500,000 for fiscal year 1981, \$14,000,000 for fiscal year 1982, \$15,000,000 for fiscal year 1983, \$16,500,000 for fiscal year 1984, and \$18,500,000 for fiscal year 1985."

(d) Section 11(a)(3)(A) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 960(a)(3)(A)) is amended to read as follows:

"(3)(A) There are authorized to be appropriated for each fiscal year ending before October 1, 1985, to the National Endowment for the Arts an amount equal to the sum of—

"(i) the total amounts received by such Endowment, including the value of property donated, bequeathed, or devised to such Endowment, for the purposes set forth in section 5(1)(1) pursuant to the authority of section 10(a)(2); and

"(ii) the total amounts received by the grantees of such Endowment from non-Federal sources, including the value of property donated, bequeathed, or devised to such grantees, for use in carrying out activities under subparagraph (A) through subparagraph (F) of section 5(1)(1);

except that the amounts so appropriated to such Endowment shall not exceed \$27,000,000 for fiscal year 1981, \$30,000,000 for fiscal year 1982, \$32,500,000 for fiscal year 1983, \$36,000,000 for fiscal year 1984, and \$40,000,000 for fiscal year 1985."

(e) Section 11(a)(3)(B) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 960(a)(3)(B)) is amended to read as follows:

"(B) There are authorized to be appropriated for each fiscal year ending before October 1, 1985, to the National Endowment for the Humanities an amount equal to the sum of—

"(i) the total amounts received by such Endowment, including the value of property donated, bequeathed, or devised to such Endowment, for the purposes set forth in section 7(h)(1) pursuant to the authority of section 10(a)(2); and

"(ii) the total amounts received by the grantees of such Endowment from non-Federal sources, including the value of property donated, bequeathed, or devised to such grantees, for use in carrying out activities under subparagraph (A) through subparagraph (F) of section 7(h)(1);

except that the amounts so appropriated to such Endowment shall not exceed \$30,000,000 for fiscal year 1981, \$33,000,000 for fiscal year 1982, \$36,000,000 for fiscal year 1983, \$40,000,000 for fiscal year 1984, and \$44,000,000 for fiscal year 1985."

(f) Section 11(a)(4) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 960(a)(4)) is amended to read as follows:

"(4) The Chairman of the National Endowment for the Arts and the Chairman of the National Endowment for the Humanities, as the case may be, shall issue guidelines to implement the provisions of paragraph (2) and paragraph (3). Such guidelines shall be consistent with the requirements of section

5(e), section 5(1)(2), section 7(f), and section 7(h)(2), as the case may be, regarding total Federal support of activities, programs, projects, or productions carried out under authority of this Act."

(g) Section 11(c) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 960(c)) is amended to read as follows:

"(c)(1) There are authorized to be appropriated to the National Endowment for the Arts \$15,000,000 for fiscal year 1981, \$15,000,000 for fiscal year 1982, \$16,000,000 for fiscal year 1983, \$17,000,000 for fiscal year 1984, and \$18,000,000 for fiscal year 1985, to administer the provisions of this Act, or any other program for which the Chairman of the National Endowment for the Arts is responsible, including not to exceed \$35,000 for each such fiscal year for official reception and representation expenses. The total amount which may be obligated or expended for such expenses for any fiscal year through the use of appropriated funds or any other source of funds shall not exceed \$35,000.

"(2) There are authorized to be appropriated to the National Endowment for the Humanities \$13,000,000 for fiscal year 1981, \$14,500,000 for fiscal year 1982, \$15,500,000 for fiscal year 1983, \$16,500,000 for fiscal year 1984, and \$17,500,000 for fiscal year 1985, to administer the provisions of this Act, or any other program for which the Chairman of the National Endowment for the Humanities is responsible, including not to exceed \$35,000 for each such fiscal year for official reception and representation expenses. The total amount which may be obligated or expended for such expenses for any fiscal year through the use of appropriated funds or any other source of funds shall not exceed \$35,000."

TECHNICAL AMENDMENTS

SEC. 109. (a) The last sentence of section 5(c) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954(c)) is amended by striking out "Labor and Public Welfare" and inserting in lieu thereof "Labor and Human Resources".

(b) Section 5(g)(4)(A) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 945(g)(4)(A)) is amended by striking out "project" the last place it appears therein and inserting in lieu thereof "projects".

(c) The last sentence of section 7(c) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(c)) is amended by striking out "Labor and Public Welfare" and inserting in lieu thereof "Labor and Human Resources".

(d) Section 9(b) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 958(b)) is amended by striking out "United States Commissioner of Education" and inserting in lieu thereof "Secretary of Education".

TITLE II—MUSEUM SERVICES

AMENDMENTS TO MUSEUM SERVICES ACT

SEC. 201. (a) Section 203 of the Museum Services Act (20 U.S.C. 962) is amended by striking out "Health, Education, and Welfare" and inserting in lieu thereof "Education".

(b) Section 204(a)(2)(A)(v) of the Museum Services Act (20 U.S.C. 963(a)(2)(A)(v)) is amended by striking out "Commissioner of Education" and inserting in lieu thereof "Secretary of Education".

(c)(1) Section 205(a)(2) of the Museum Services Act (20 U.S.C. 963(a)(2)) is amended by striking out "to the Secretary of Health, Education, and Welfare" and inserting in lieu thereof "directly to the Secretary of Education".

(2) Section 205(b) of the Museum Services Act (20 U.S.C. 963(b)) is amended by striking out "Department of Health, Education, and Welfare" and inserting in lieu thereof "Department of Education".

(3) Section 205 of the Museum Services Act (20 U.S.C. 963) is amended by adding at the end thereof the following new subsection:

"(c) The Director may appoint without regard to the provisions of title 5, United States Code, governing appointment in the competitive service and may compensate without regard to the provisions of chapter 51 or subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates not to exceed one-fifth of the number of full-time regular technical or professional employees of the Institute. The rate of basic compensation for such employees may not equal or exceed the rate prescribed for GS-16 of the General Schedule under section 5332 of title 5, United States Code."

(d) (1) Section 206 of the Museum Services Act (20 U.S.C. 965) is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) (1) The Director, subject to the policy direction of the National Museum Services Board, is authorized to enter into contracts and cooperative agreements with professional museum organizations to provide financial assistance to such organizations in order to enable such organizations to undertake projects designed to strengthen museum services, except that any contracts or cooperative agreements entered into pursuant to this subsection shall be effective only to such extent or in such amounts as are provided in appropriations Acts.

"(2) (A) No financial assistance may be provided under this subsection for any project for a period in excess of one year.

"(B) No financial assistance may be provided under this subsection to pay for the operational expenses of any professional museum organization.

"(3) The aggregate amount of financial assistance made under this subsection to professional museum organizations shall not exceed 5 percent of the amount appropriated under this Act for such fiscal year.

"(4) For purposes of this subsection, the term 'professional museum organization' means a private, nonprofit professional museum-related organization, institution, or association which engages in activities designed to advance the well-being of museums and the museum profession."

(2) Section 206(c) of the Museum Services Act, as so designated in paragraph (1), is amended—

(A) by inserting ", contracts, and cooperative agreements" after "Grants";

(B) by inserting "or financial assistance" after "grant"; and

(C) by inserting "or financial assistance" after "grants".

(3) Section 206 of the Museum Services Act, as amended in paragraph (1), is further amended by adding at the end thereof the following new subsection:

"(d) The Director shall establish procedures for reviewing and evaluating grants, contracts, and cooperative agreements made or entered into under this section. Procedures for reviewing grant applications or contracts and cooperative agreements for financial assistance under this section shall not be subject to any review outside of the Institute."

(e) (1) Section 209(a) of the Museum Services Act (20 U.S.C. 967(a)) is amended to read as follows:

"Sec. 209. (a) For the purpose of making grants under section 206(a), there are authorized to be appropriated \$25,000,000 for fiscal year 1981, \$30,000,000 for fiscal year 1982, \$35,000,000 for fiscal year 1983, \$40,000,000 for fiscal year 1984, and \$45,000,000 for fiscal year 1985."

(2) Section 209(d) of the Museum Services Act (20 U.S.C. 967(d)) is amended by striking

ing out "1980" and inserting in lieu thereof "1985".

AMENDMENTS TO DEPARTMENT OF EDUCATION ORGANIZATION ACT

Sec. 202. Section 413(b) (1) of the Department of Education Organization Act (20 U.S.C. 3473(b) (1)) is amended by inserting "and" at the end of subparagraph (L), by striking out subparagraph (M), and by redesignating subparagraph (N) as subparagraph (M).

TITLE III—AMENDMENTS TO ARTS AND ARTIFACTS INDEMNITY ACT

AGGREGATE AMOUNTS COVERED UNDER INDEMNITY AGREEMENTS

Sec. 301. Section 5(b) of the Arts and Artifacts Indemnity Act (20 U.S.C. 974(b)) is amended by striking out "\$250,000,000" and inserting in lieu thereof "\$400,000,000".

DEDUCTIBLE AMOUNTS UNDER INDEMNITY AGREEMENTS

Sec. 302. Section 5(d) of the Arts and Artifacts Indemnity Act (20 U.S.C. 974(d)) is amended to read as follows:

"(d) If the estimated value of the items covered by an indemnity agreement for a single exhibition—

"(1) \$2,000,000 or less, then coverage under this Act shall extend only to loss or damage in excess of the first \$15,000 of loss or damage to items covered;

"(2) more than \$2,000,000 but less than \$10,000,000, then coverage under this Act shall extend only to loss or damage in excess of the first \$25,000 of loss or damage to items covered; or

"(3) \$10,000,000 or more, then coverage under this Act shall extend only to loss or damage in excess of the first \$50,000 of loss or damage to items covered."

Amend the title so as to read: "An Act to amend the National Foundation on the Arts and the Humanities Act of 1965 and the Museum Services Act to extend the authorizations of appropriations contained in such Acts, to amend the Arts and Artifacts Indemnity Act to make certain changes in the coverage provisions of such Act, and for other purposes."

● Mr. SCHWEIKER. Mr. President, I inquire of my distinguished colleague from Rhode Island whether the National Endowments for the Arts and the Humanities plan to redefine certain requirements for eligibility in a way that would exclude science museums from participating in their funding programs. I am particularly concerned about the eligibility of these museums for challenge grants. Pennsylvania boasts of some of the finest museums in the country. Her science museums have unparalleled collections in natural history, archaeology and anthropology, as well as important living collections of plants and animals. These institutions play an integral part in the cultural vitality of the State and of the Nation. Exclusion of science museums from participation in the challenge grant programs, which have done so much to stimulate community support and guarantee cultural institutions some measure of financial security, would be shortsighted and unfair.

● Mr. PELL. I assure my colleague from Pennsylvania that I share his concern that challenge grants be widely available to all qualified cultural institutions, including science museums. In the report that accompanied S. 1386, the bill reauthorizing both endowments, the committee was explicit that the endowments continue the funding of science museums and urged the widest possible

eligibility of science museums of all kinds for challenge grants and project support. Both the Arts and the Humanities endowments have made excellent grants to science museums and I am confident that Mr. Biddle and Mr. Duffey, the chairmen of the two agencies, will continue to fund them. The Senator is correct when he notes the positive effect of the challenge grants on private giving to our Nation's cultural institutions and I appreciate and share his concern that the benefits of these grants be widely available.

● Mr. RIBICOFF. Mr. President, I note that the bill would require the Director of the Institute of Museum Services to report directly to the Secretary of Education on museum activities. It would also give the Director specific authority over the Institute's grant making procedures. In view of the importance of improving the efficiency and management of all activities transferred to the Department under the Organization Act, I want to emphasize that nothing in this section should interfere with the application of sound management principles at the new Department or would undermine the efforts of the Department to streamline its organization.

All of the Department's programmatic functions have been organized under various assistant secretaries. The bill does not preclude the Department from requiring IMS to report, for administrative purposes, to the appropriate assistant secretary on all operational matters relating to museum activities, so long as the Director has a direct reporting line to the Secretary on matters of museum policy. Similarly, the Director's authority over grant-making procedures does not mean that the Institute's grants procedures are free from Secretarial supervision or from the Department's general policies and regulations.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

DR. HALLA BROWN

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. KENNEDY, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1578.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1578) entitled "An Act for the relief of Doctor Halla Brown", do pass with the following amendment: Page 1, line 6, strike out "\$700,000", and insert: "\$500,000".

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

AMENDMENT OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. BAYH, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2441.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives insisting on its amendments to the bill (S. 2441) to amend the Juvenile Justice and Delinquency Prevention Act of 1974, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ROBERT C. BYRD, Mr. President, on behalf of Mr. BAYH, I move that the Senate concur in the House amendments en bloc.

The PRESIDING OFFICER, Without objection, it is so ordered.

Mr. ROBERT C. BYRD, Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BAKER, I move to lay that on the table.

The motion to lay on the table was agreed to.

MILNER DAM EXEMPTION FROM FEDERAL POWER ACT

Mr. ROBERT C. BYRD, Mr. President, on behalf of Mr. JACKSON, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1828.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1828) entitled "An Act to exempt the Milner Dam from certain requirements of the Federal Power Act (16 U.S.C. 807), and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause, and insert: That the provisions of section 14 of the Federal Power Act (16 U.S.C. 807), other than the first sentence of section 14 (b) (relating to relicensing), shall not apply to any project works of the Milner Dam project, located on the Snake River near Milner, Idaho, that are in existence on the date of the enactment of this Act, including the Milner Dam, reservoir, and associated irrigation facilities. The exemption provided by the preceding sentence shall not apply to any project works which are not in existence on the date of the enactment of this Act.

SEC. 2. Except as provided in the first section of this Act, the provisions of this Act shall not be construed as repealing, amending, or otherwise affecting any of the provisions of the Federal Power Act.

Amend the title so as to read: "An Act to exempt the existing facilities of the Milner Dam from section 14 of the Federal Power Act, and for other purposes."

Mr. ROBERT C. BYRD, Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

Mr. ROBERT C. BYRD, Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BAKER, Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INCREASE AND EXTENSION OF AUTHORIZATION FOR COUNCIL ON WAGE AND PRICE STABILITY

Mr. ROBERT C. BYRD, Mr. President, on behalf of Mr. PROXMIER, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2352.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives.

Resolved, That the bill from the Senate (S. 2352) entitled "An Act to increase the authorization for the Council on Wage and Price Stability, to extend the duration of such Council, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause, and insert: That (a) section (2) (b) of the Council on Wage and Price Stability Act (12 U.S.C. 1904 note) is amended by striking out the last sentence thereof and inserting in lieu thereof the following: "The Council shall be headed by a Chairperson who shall be appointed by the President, by and with the advice and consent of the Senate."

(b) The amendments made by subsection (a) shall apply only to individuals who are appointed, on or after the date of the enactment of this Act, as Chairperson of the Council on Wage and Price Stability.

SEC. 2. Section 3(c) of the Council on Wage and Price Stability Act is amended to read as follows:

"(c) The Council shall review proposals which have been made for reducing inflation through tax-based incomes policies and shall submit a report containing its findings, along with recommendations and legislative proposals for such policies, to the Congress not later than January 15, 1981. Such review shall include, but not be limited to, tax-based incomes policies designed to provide incentives for compliance with wage, price, or profit-margin guidelines that could be provided through changes in personal income taxes, corporate income taxes, investment tax credits, or depreciation allowances. The Council shall also review the impact on inflation that might result from supply side income tax reductions and include in the report required by this subsection its findings pursuant to such review."

SEC. 3. Section 5 of the Council on Wage and Price Stability Act is amended by striking out "on a quarterly basis and not later than thirty days after the close of each calendar quarter" and inserting in lieu thereof "on an annual basis".

SEC. 4. Section 6 of the Council on Wage and Price Stability Act is amended by striking out "not to exceed" and all that follows through the end thereof and inserting in lieu thereof "not to exceed \$9,770,000 for the fiscal year ending September 30, 1981."

SEC. 5. Section 7 of the Council on Wage and Price Stability Act is amended by striking out "September 30, 1980" and inserting in lieu thereof "September 30, 1981".

SEC. 6. Section 3 of the Council on Wage and Price Stability Act is amended by adding at the end thereof the following:

"(d) The Council shall not prescribe an annual average price increase guideline lower than the percentage obtained by subtracting the average annual growth in nonfarm output per man-hour in the private sector since 1973, as measured by the Bureau of Labor Statistics and stated as a percentage, from the average annual wage increase permitted under the voluntary wage standard, stated as a percentage."

SEC. 7. (a) Section 3 of the Council on Wage and Price Stability Act is amended by adding at the end thereof the following:

"(e) For the fiscal year ending September 30, 1981, the Council shall increase the number of positions which involve the review of proposed and existing Federal regulations by 50 per centum, over the number of positions allocated for such purpose for the fiscal year 1980. In conducting such review, the Council shall identify those regulations which have the greatest inflationary impact on the economy or on specific industry sectors, consistent with subsection (a) (8)."

(b) Section 5 of such Act is amended by adding at the end thereof the following: "The annual report shall also contain an

evaluation of the inflationary impact reviews undertaken by the Council in the previous year pursuant to section 3(e), including a listing and description of all regulatory proceedings in which the Council participated, the Council's recommended action, the projected cost of each such regulation, the cumulative inflationary impact of such regulations and the final disposition of each such regulatory proceeding."

SEC. 8. Section 2 of the Council on Wage and Price Stability Act is amended by adding at the end thereof the following new subsection:

"(h) The Director shall establish an Office of Productivity which shall have as its prime responsibility improving private-sector productivity in the United States. Such office shall evaluate the impact of government regulations on productivity, shall inventory and evaluate Federal programs designed to improve productivity, and shall analyze the effects on United States productivity of the factors cited in section 3(a) (9) of this Act. The Office of Productivity shall annually issue a report to Congress containing the results of such evaluations, steps appropriate to improve the effectiveness of such Federal programs, and recommendations of new Federal programs and policies to increase private-sector productivity growth."

SEC. 9. The Credit Control Act is amended by adding at the end thereof the following:

"Sec. 211. Termination

"The authority conferred by this title expires at the close of June 30, 1982."

SEC. 10. In the fiscal year beginning October 1, 1980, the aggregate amount of funds made available to the Senate shall not exceed 90 per centum of the aggregate amount of the funds made available for such purposes for the fiscal year beginning on October 1, 1979.

Mr. ROBERT C. BYRD, Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

Mr. ROBERT C. BYRD, Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BAKER, Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MOAPA INDIAN RESERVATION

Mr. ROBERT C. BYRD, Mr. President, on behalf of Mr. JACKSON, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1135.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1135) entitled "An Act to add certain lands to the Moapa Indian Reservation, and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause, and insert: That beginning on the date of the enactment of this Act, the following lands shall, subject to section 2 of this Act, be held in trust by the United States for the benefit and use of the Moapa Band of Paiutes and shall be considered to be a part of the Moapa Indian Reservation in Moapa, Nevada:

Township 15 south, Range 65 east, Mount Diablo Meridian, Nevada

Section 1: Lot 1; south half northwest quarter, south half 439.89 acres.

Section 2: All 639.56 acres.

Section 3: All 639.28 acres.

Section 4: All 638.48 acres.

Section 5: All 638.44 acres.

Section 6: All 638.41 acres.

Section 7: All 640.16 acres.
 Section 8: All 640.00 acres.
 Section 9: All 640.00 acres.
 Section 10: All 640.00 acres.
 Section 11: All 640.00 acres.
 Section 12: All 640.00 acres.
 Section 13: All 640.00 acres.
 Section 14: All 640.00 acres.
 Section 15: All 640.00 acres.
 Section 16: All 640.00 acres.
 Section 17: All 640.00 acres.
 Section 18: All 640.28 acres.
 Section 19: All 640.24 acres.
 Section 20: All 640.00 acres.
 Section 21: All 640.00 acres.
 Section 22: All 640.00 acres.
 Section 23: All 640.00 acres.
 Section 24: All 640.00 acres.
 Section 25: All 640.00 acres.
 Section 26: All 640.00 acres.
 Section 27: All 640.00 acres.
 Section 28: All 640.00 acres.
 Section 29: All 640.00 acres.
 Section 30: All 640.12 acres.
 Section 31: All 640.80 acres.
 Section 32: All 640.00 acres.
 Section 33: All 640.00 acres.
 Section 34: All 640.00 acres.
 Section 35: All 640.00 acres.
 Section 36: All 640.00 acres.
 Total acreage 22,835.66.

Township 16 south, Range 65 east, Mount Diablo Meridian, Nevada

Section 1: All 640.36 acres.
 Section 2: All 640.76 acres.
 Section 3: All 640.86 acres.
 Section 4: All 640.96 acres.
 Section 5: All 641.02 acres.
 Section 6: All 640.74 acres.
 Section 7: All 639.24 acres.
 Section 8: All 640.00 acres.
 Section 9: All 640.00 acres.
 Section 10: All 640.00 acres.
 Section 11: All 640.00 acres.
 Section 12: All 640.00 acres.
 Section 13: All 640.00 acres.
 Section 14: All 640.00 acres.
 Section 15: All 640.00 acres.
 Section 16: All 640.00 acres.
 Section 17: All 640.00 acres.
 Section 18: All 639.26 acres.
 Section 19: All 639.20 acres.
 Section 20: All 640.00 acres.
 Section 21: All 640.00 acres.
 Section 22: All 640.00 acres.
 Section 23: All 640.00 acres.
 Section 24: All 640.00 acres.
 Section 25: All 640.00 acres.
 Section 26: All 640.00 acres.
 Section 27: All 640.00 acres.
 Section 28: All 640.00 acres.
 Section 29: All 640.00 acres.
 Section 30: All 639.32 acres.
 Section 31: Lots 3, 4; east half west half, east half 559.93 acres.
 Section 32: All 640.00 acres.
 Section 33: All 640.00 acres.
 Section 34: All 640.00 acres.
 Section 35: All 640.00 acres.
 Section 36: All 640.00 acres.
 Total acreage 22,961.65.

Township 16 south, Range 64 east, Mount Diablo Meridian, Nevada

Section 1: All 640.48 acres.
 Section 2: All 641.00 acres.
 Section 3: All 641.10 acres.
 Section 4: All 641.26 acres.
 Section 5: All 641.52 acres.
 Section 6: All 642.52 acres.
 Section 7: All 641.40 acres.
 Section 8: All 640.00 acres.
 Section 9: All 640.00 acres.
 Section 10: All 640.00 acres.
 Section 11: All 640.00 acres.
 Section 12: All 640.00 acres.
 Section 13: All 640.00 acres.
 Section 14: All 640.00 acres.
 Section 15: All 640.00 acres.
 Section 16: All 640.00 acres.
 Section 17: All 640.00 acres.

Section 18: Lots 1, 2, 3, 4; north half northeast quarter, northeast quarter southeast quarter northeast quarter, northwest quarter southwest quarter northeast quarter, east half west half, southwest quarter northwest quarter southeast quarter, southwest quarter southeast quarter 471.16 acres.

Section 19: All 640.94 acres.
 Section 20: All 640.00 acres.
 Section 21: All 640.00 acres.
 Section 22: All 640.00 acres.
 Section 23: All 640.00 acres.
 Section 24: All 640.00 acres.
 Section 25: All 640.00 acres.
 Section 26: All 640.00 acres.
 Section 27: All 640.00 acres.
 Section 28: All 640.00 acres.
 Section 29: All 640.00 acres.
 Section 30: All 640.78 acres.
 Section 31: All 640.36 acres.
 Section 32: All 640.00 acres.
 Section 33: All 640.00 acres.
 Section 34: All 640.00 acres.
 Section 35: All 640.00 acres.
 Section 36: All 640.00 acres.
 Total acreage 22,882.52.

Township 14 south, Range 66 east, Mount Diablo Meridian, Nevada

Section 29: West half 320.00 acres.
 Section 30: All 630.38 acres.
 Section 31: East half of Lot 1; east half, east half northwest quarter, southwest quarter northwest quarter, northeast quarter southwest quarter 499.99 acres.
 Section 32: West half 320.00 acres.
 Total acreage 1,769.87.

Township 17 south, Range 64 east, Mount Diablo Meridian, Nevada

Section 7: Lots 5 and 6; south half northeast quarter 115.76 acres.

Sec. 2. (a) Nothing in this Act shall—

(1) deprive any person or entity of any valid existing right-of-way, mining claim, grazing permit, water right (including any water rights with respect to the Muddy River as decreed by order of the district court of the State of Nevada on March 12, 1920, in "In the matter of the determination of the relative rights in and to the waters of the Muddy River and its tributaries in Clark County, State of Nevada"), or other right or interest which such person or entity may have in any land described in the first section of this Act; or

(2) deprive any person of the rights provided under the Act entitled "An Act to provide for the sale of desert lands in certain States and Territories", approved March 3, 1877 (43 U.S.C. 321 et seq.), commonly referred to as the Desert Land Act, with respect to desert lands regarding which such person has filed a declaration, before the date of the enactment of this Act, under the first section of the Desert Land Act stating his intention to reclaim such lands.

(b) The transfer of lands under the first section of this Act shall be subject to the reservation to the United States of a right-of-way extending 1,500 feet westerly of the right-of-way for the Reid Gardner-Pecos transmission lines through the area 1,500 feet easterly of the right-of-way for the Navajo-McCullough transmission line. The right-of-way shall be administered by the Secretary of the Interior, who may grant rights-of-way over, upon, under, or through the area described in the preceding sentence only for such transportation or other systems or facilities as are described under paragraph (1) through paragraph (7) of section 501(a) of the Federal Land Policy Management Act of 1976 or under section 28 of the Act of February 25, 1920, commonly referred to as the Mineral Leasing Act. The Secretary of the Interior may enforce all terms and conditions of the right-of-way upon its termination.

(c) In administering the right-of-way described under subsection (c) of this section, the Secretary of the Interior shall be responsible for establishing and collecting fees for

the use of such right-of-way. Any payment of such fees to the Secretary after the date of the enactment of this Act shall be made for the benefit of the Moapa Band of Paiutes.

(d) Lands transferred under the first section of this Act shall be subject to a reservation to the United States of all minerals subject to the Act of February 25, 1920, commonly referred to as the Mineral Leasing Act, and a reservation of the right to enter upon such lands to mine and remove such minerals. The Secretary of the Interior shall collect and deposit fees, rentals, royalties, and other revenues for the mining and removal of such minerals in accordance with the Mineral Leasing Act.

SEC. 3. The second sentence of subsection (a) of the first section of the Act entitled "An Act to authorize the leasing of restricted Indian Lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases", approved August 9, 1955 (69 Stat. 539; 25 U.S.C. 415) is amended by inserting "the Moapa Indian reservation," after "the Dania Reservation."

SEC. 4. The provisions relating to redesignation of areas contained in section 164 of the Act of July 14, 1955, shall be applied without regard to the transfer of lands under the first section of this Act.

Amend the title so as to read: "An Act to provide for certain lands to be held in trust for the Moapa Band of Paiutes and to be considered to be a part of the Moapa Indian Reservation."

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

ORDER TO HOLD H.R. 7805 AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 7805, an act to authorize appropriations for the American Folklife Center for fiscal years 1982, 1983, and 1984, be held at the desk pending further disposition.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. BAKER. There is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO HOLD H.R. 8350 AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 8350, an act for boundary expansion of Crater Lake National Park in the State of Oregon and the establishment of the Women's Rights National Historical Park in the State of New York, and for other purposes, be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER ALLOWING SENATORS 10 DAYS IN WHICH TO INSERT REMARKS IN TRIBUTE TO SENATOR ABRAHAM RIBICOFF

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all Senators have 10 calendar days in which to insert their remarks in tribute to Senator ABRAHAM RIBICOFF in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER AUTHORIZING PRINTED VOLUME OF TRIBUTES TO SENATOR ABRAHAM RIBICOFF

Mr. ROBERT C. BYRD. Mr. President, I also ask unanimous consent that the record of the tributes may be printed as a bound volume and as a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). Without objection, it is so ordered.

SETTING ASIDE IN SPECIAL TRUST LANDS AND INTERESTS WITHIN THE WINEMA NATIONAL FOREST TO EDISON CHILOQUIN

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. HATFIELD I ask unanimous consent that the Senate proceed to the consideration of H.R. 7960.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 7960) to provide for the setting aside in special trust lands and interests within the Winema National Forest to Edison Chiloquin and for the transfer of moneys otherwise available to Mr. Chiloquin from the Klamath Indian Settlement to the Secretary of Agriculture for the acquisition of replacement lands or interests.

The PRESIDING OFFICER. Is there objection? Without objection, the Senate will proceed to its immediate consideration.

The Senator from Oregon.

Mr. HATFIELD. Mr. President, I might add one comment of explanation. This is very unique situation of an Indian by the name of Edison Chiloquin who has been, in a sense, a squatter on the public lands of the national forest, Winema National Forest, because of his deep conviction that the Indian tribe had no right to divest itself of these ancestral lands, and it is a grant, a permit, so to speak, for him to live on this land in this native habitat and to continue the culture and the heritage of the proud Klamath Indian tribe.

So this has been cleared through the Federal agencies, and has been passed by the Senate Energy and Natural Resources Committee.

It avoids confrontation and all other kinds of unpleasantness of trying to expel this man from the lands that are his ancestral home. It is a unique situation, but it has been approved by all the Federal agencies and the Congress.

I move the adoption of the bill.

Mr. ROBERT C. BYRD. Mr. President, I understand now the bill has not been reported from the committee, is that correct? Are you reporting it now?

Mr. HATFIELD. I am reporting this on behalf of the committee, yes.

Mr. ROBERT C. BYRD. I thank the Chair.

The bill was read the third time and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ADJOURNMENT OF THE HOUSE FROM NOVEMBER 21 TO DECEMBER 1, 1980, AND RECESS OF THE SENATE FROM NOVEMBER 25 TO DECEMBER 1, 1980

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Concurrent Resolution 451.

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 451 providing for an adjournment of the House from November 21 to December 1, 1980, and a recess of the Senate from November 25 to December 1, 1980.

The concurrent resolution was agreed to, as follows:

H. CON. RES. 451

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Friday, November 21, 1980, it stand adjourned until 12 o'clock meridian on Monday, December 1, 1980, and that when the Senate recesses on Tuesday, November 25, 1980, it stand in recess until 11 o'clock, ante meridiem on Monday, December 1, 1980.

REMOVAL OF CERTAIN NAMES FROM THE ALASKA NATIVE ROLL

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House on H.R. 5108.

The PRESIDING OFFICER laid before the Senate H.R. 5108, an act to provide for the removal of the names of certain Alaska Natives from the Alaska Native Roll and to allow their enrollment with the Metlakatla Indian Community.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill be considered as having been read the first and second time by title and that the Senate proceed to its immediate adoption.

Without objection, the bill was read the third time and passed.

AIR TRAFFIC CONTROLLERS

Mr. STONE. Mr. President, in one of my final statements as a Member of the U.S. Senate, I would like to say a few words about a group of men and women who perform the vitally important job in our air transportation system of guiding aircraft through increasingly crowded skies—the air traffic controllers. With increased aircraft operations due, in part, to airline deregulation, the problems facing air traffic controllers are becoming more difficult. When one mistake could result in the death of hundreds of people, it is no wonder that air traffic

controllers have one of the highest burn-out rates of any profession.

Given the crucial nature of their job, it would seem logical to provide them with the best equipment and manpower available. Yet, there presently is a shortage of qualified controllers in this country and the computers used to track aircraft and keep them separated, are overloaded to the point that they shut down, with alarming frequency. It has been estimated that a major computer failure takes place somewhere in this country's air traffic control system every 9½ hours.

We need more controllers. The quality and amount of their training on various systems needs to be improved. We must get rid of the outmoded manual backup systems that are pressed into service when the computers shut down, and replace them with last-resort control systems.

During this decade, I would like to see the Congress address these needs and provide the proper funding for them. So far, our aviation safety record has been good, but the number of near-misses is increasing. We cannot afford to wait for one more tragedy to occur before commitments for improvements are made. We cannot continue to ask our air traffic controllers to bear this tremendous physical and emotional burden without help. They must be provided with the tools to make their jobs manageable. We owe this to every man, woman, and child who flies and we owe this to the men and women who dedicate their lives to insuring that air transportation in the United States is safe and reliable.

POTENTIAL PROBLEMS FOR THE UNITED STATES AT THE MADRID CONFERENCE

Mr. PROXMIRE. Mr. President, the 35 nations meeting at the Conference on Human Rights and Detente in Madrid are currently stalled in a deadlock over discussion of the conference's agenda items.

These procedural negotiations have been stalled, due to the Soviet Union's reluctance to face up to charges, leveled by many nations, of Soviet human rights violations. The United States, as a nation which does not practice torture or other barbarous acts, is appalled at charges of such perversities. It has long wanted to discuss these charges against the Soviets in an open international forum.

Should the proposal to discuss Soviet human rights violations be realized however, the United States will face counter-accusations by the Soviets.

The Soviets may very well demand to know why the United States is so vehement to discuss Soviet human rights violations since for over three decades, our country has failed to ratify a treaty which expresses contempt for a very serious type of human rights violation.

This treaty is the Genocide Convention.

It deplores the heinous crime of genocide, which is the extermination of a national, religious, racial or ethnic group of peoples.

Mr. President, it is clear that U.S. demands to investigate Soviet human

rights violations would be made more legitimate if we would ratify the Genocide Treaty.

The Soviets may very well use the example of our steadfast refusal to ratify the Genocide Convention, in order to halt discussions of its human rights violations, as it did last year at the Helsinki Commission.

As Dr. William Korey argues in Foreign Policy, this tactic will generate support for the Soviets from both our allies and neutral nations, most of which ratified the treaty long ago.

It is clear that in order to avoid such scenarios of hypocrisy, the United States must ratify the Genocide Convention.

I urge my colleagues to move immediately for ratification of the Genocide Convention.

MESSAGES FROM THE HOUSE

At 10:52 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks announced that the House disagrees to the amendment of the Senate to the concurrent resolution (H. Con. Res. 448) revising the congressional budget for the U.S. Government for the fiscal years 1981, 1982, and 1983; agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. GIAIMO, Mr. SIMON, Mr. MINETA, Mr. JONES of Oklahoma, Mr. SOLARZ, Mr. GEPHARDT, Mr. GRAY, Mr. LATTA, Mr. REGULA, and Mr. RUDD as managers of the conference on the part of the House.

The message also announced that the House insists upon its amendments to the bill (S. 1996) to authorize the Secretary of Agriculture to encourage the efficient use of wood and wood residues through pilot projects and demonstrations and a pilot wood utilization program, disagreed to by the Senate; agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. FOLEY, Mr. WEAVER, Mr. ANTHONY, Mr. HUCKABY, Mr. COELHO, Mr. NOLAN, Mr. SEBELIUS, Mr. JOHNSON of Colorado, and Mr. HANSEN as managers of the conference on the part of the House.

The message further announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 8350. An act for boundary expansion of Crater Lake National Park in the State of Oregon and the establishment of the Women's Rights National Historical Park in the State of New York, and for other purposes.

At 12:30 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 448) revising the congressional budget for the U.S. Government for the fiscal years 1981, 1982, and 1983.

The message also announced that the House agrees to the amendments of the Senate to the amendments of the House to the bill (S. 1656) to provide for a na-

tional program of fisheries research and development, and for other purposes, with amendments, in which it requests the concurrence of the Senate.

The message further announced that the House has passed the bill (S. 3152) to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965 to extend the authorization for such acts for 2 additional years, with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 7805. An act to authorize appropriations for the American Folklife Center for fiscal years 1982, 1983, and 1984.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 451. Concurrent resolution providing for an adjournment of the House from November 21 to December 1, 1980 and a recess of the Senate from November 25 to December 1, 1980.

At 3:03 p.m., a message from the House of Representatives, delivered by Mr. Gregory, one of its reading clerks, announced that the House has passed the bill (S. 3074) to authorize appropriations for the Department of Energy for national defense programs for fiscal year 1981, and for other purposes, with an amendment, in which it requests the concurrence of the Senate.

At 3:57 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the House has passed the following bills, each with amendments, in which it requests the concurrence of the Senate:

S. 1828. An act to exempt the Milner Dam from certain requirements of the Federal Power Act (16 U.S.C. 807), and for other purposes; and

S. 1918. An act to amend title 10, United States Code, to revise and make uniform the provisions of law relating to appointment, promotion, separation, and retirement of regular commissioned officers of the Army, Navy, Air Force, and Marine Corps, to establish the grade of commodore admiral in the Navy, to equalize the treatment of male and female commissioned officers, and for other purposes.

HOUSE BILLS HELD AT THE DESK

The following bills were held at the desk by unanimous consent:

H.R. 7805. An act to authorize appropriations for the American Folklife Center for fiscal years 1982, 1983, and 1984;

H.R. 8350. An act for boundary expansion of Crater Lake National Park in the State of Oregon and the establishment of the Women's Rights National Historical Park in the State of New York, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-4942. A communication from the Director of the Office of Management and Budget,

Executive Office of the President, transmitting, pursuant to law, proposed amendments increasing the request for appropriations for fiscal year 1981 for the Department of Defense—Military; to the Committee on Appropriations.

EC-4943. A communication from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, notice of a study with respect to converting the family housing maintenance function at England Air Force Base, Louisiana, and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC-4944. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, notice of the Department of the Air Force's proposed letter of offer to Switzerland for defense articles estimated to cost in excess of \$25 million; to the Committee on Armed Services.

EC-4945. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, a report on contracts negotiated by NASA under 10 United States Code 2304 (a)(11) and (16) for the period January 1 through June 30, 1980; to the Committee on Commerce, Science, and Transportation.

EC-4946. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, a proposed prospectus for alterations at the four Internal Revenue Centers; to the Committee on Environment and Public Works.

EC-4947. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, a report of building project survey for increased funding for a lease construction project in Providence, Rhode Island; to the Committee on Environment and Public Works.

EC-4948. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Evaluation of Selected Features of U.S. Nuclear Non-Proliferation Law and Policy"; to the Committee on Foreign Relations.

EC-4949. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Improving The Management and Coordination of Reviews, Inspection, and Evaluations in the U.N. System"; to the Committee on Foreign Relations.

EC-4950. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Jail Inmates' Mental Health Care Neglected: State and Federal Attention Needed"; to the Committee on the Judiciary.

EC-4951. A communication from the Executive Secretary of the National Music Council, transmitting, pursuant to law, the audit report of the Council for the year ended April 30, 1980; to the Committee on the Judiciary.

EC-4952. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, the fiscal year 1981 pay supplemental; to the Committee on Rules and Administration.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-925. A resolution adopted by the City Council of Youngstown, Ohio, favoring the approval of counter-cyclical funds to economically depressed cities; to the Committee on Environment and Public Works.

POM-926. A resolution adopted by the Legislature of the County of Suffolk, New York,

favoring legislation to provide for the stabilization of the Moriches Inlet; to the Committee on Environment and Public Works.

POM-927. A resolution of the City Council of Sanger, California, and a resolution of the Board of Supervisors, County of Fresno, California, favoring legislation to aid in the funding of the 1984 Olympics; to the Committee on Finance.

POM-928. A resolution adopted by the City Council of Youngstown, Ohio, favoring the extension of the general revenue sharing program; ordered to lie on the table.

POM-929. A petition from a citizen of New Orleans, Louisiana opposing the appointment to any position of authority of opponents to Right To Work; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATFIELD, from the Committee on Energy and Natural Resources, without amendment:

H.R. 7960. An act to provide for the setting aside in special trust lands and interests within the Winema National Forest to Edison Chiloquin and for the transfer of moneys otherwise available to Mr. Chiloquin from the Klamath Indian Settlement to the Secretary of Agriculture for the acquisition of replacement lands or interests.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HEFLIN:

S. 3216. A bill to accelerate the development and utilization of laser technology, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BOSCHWITZ:

S. 3217. A bill for the relief of Afsaneh Naimollah; to the Committee on the Judiciary.

S. 3218. A bill for the relief of Faith Wong; to the Committee on the Judiciary.

S. 3219. A bill for the relief of Young Chul Lee; to the Committee on the Judiciary.

S. 3220. A bill for the relief of Sally Zussman; to the Committee on the Judiciary.

By Mr. SASSER:

S. 3221. A bill entitled The Great Smoky Mountains Wilderness Act; to the Committee on Energy and Natural Resources.

By Mr. MOYNIHAN:

S. 3222. A bill to provide for the settlement of land claims of the Cayuga Indian Nation in the State of New York; and for other purposes; to the Select Committee on Indian Affairs.

By Mr. RANDOLPH (for himself, Mr. JAVITS, Mr. WILLIAMS, and Mr. STAFFORD):

S. 3223. A bill to amend the Higher Education Act of 1980, Public Law 96-374; to the Committee on Labor and Human Resources.

By Mr. BAUCUS:

S. 3224. A bill to amend the Internal Revenue Code of 1954 to subject pension trusts to the tax imposed by section 511 on unrelated business income for income related to the sale or rental of farmland and grazing land; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SASSER:

S. 3221. A bill entitled The Great Smoky Mountains Wilderness Act; to the Committee on Energy and Natural Resources.

GREAT SMOKY MOUNTAINS WILDERNESS ACT

● Mr. SASSER. Mr. President, today I am reintroducing the Great Smoky Mountains Wilderness Act, a bill I introduced in the 95th Congress to designate 475,000 acres of the best nature has to offer as wilderness.

Designating the Great Smoky Mountains as wilderness, Mr. President, will insure that future generations of Americans will be able to enjoy the natural splendor of this rugged country, while insuring that the surrounding regions of Tennessee and North Carolina will have a continuing economic base of support.

There are a number of important provisions in my bill, Mr. President. Mt. Le Conte Lodge, as well as the existing trail shelters on the Appalachian Trail, will be excluded from wilderness designation. Activities now being conducted in Cades Cove, Elkmont, and on Clingman's Dome will be preserved as these areas are also excluded from the wilderness designation.

Additionally, and perhaps most importantly, the Great Smoky Mountains Wilderness Act insists on an equitable settlement of the dispute involving the Tennessee Valley Authority, the Department of the Interior, and Swain County, N.C. The rights of Swain County are protected by this legislation, and the wilderness will not infringe on any settlement eventually reached.

In 1966, Daniel Payne Hale, one of the Great Smokies' most ardent supporters said:

Whatever we preserve of the Great Smokies now is all that we and the multitudes which will follow us will have of them for a long time—perhaps all that we will ever have for many may never permit a reversion of developed areas to wilderness. It is in our power to deliver the Great Smokies from those who seek to build their paradise on the ashes of those paradises they would destroy.

We of the 96th Congress, Mr. President, still have the opportunity to deliver the Great Smoky Mountains from interests adverse to its preservation. Future generations will judge us by our actions; our failure to preserve at least some portion of the pristine territory embodied in the Great Smokies will most certainly affect the judgment of future Americans.

I urge the Senate to make every possible effort to approve this legislation quickly and positively.●

By Mr. MOYNIHAN:

S. 3222. A bill to provide for the settlement of land claims of the Cayuga Indian Nation in the State of New York, and for other purposes; to the Select Committee on Indian Affairs.

CAYUGA INDIAN CLAIMS SETTLEMENT ACT

● Mr. MOYNIHAN. Mr. President, I am today introducing legislation that would provide for congressional ratification and implementation of the terms of an agreement to settle a land claim by the Cayuga Indian Nation to over 64,000 acres of land in New York State. This settlement, submitted by the administration last February, is the result of over 3 years of negotiations between the State of New York, the Department of the Interior and Agriculture, and the Cayuga nation.

As in the case of similar Indian land claims in the Eastern United States already resolved by Congress, the major parties involved with the Cayuga claim agreed on one fundamental premise: Litigation to settle the claim, regardless of the eventual outcome of such proceedings, would have a devastating impact on persons living in the claim area and on the area's economy. In that connection, it may be noted that within the past several months, Congress has approved and the President signed into law, legislation to implement a negotiated settlement of a very large land claim by several Indian tribes against the State of Maine. That bill included a payment of \$81 million to the tribes involved, and provisions whereby the tribes would be able to obtain thousands of acres of land.

In the administration's proposal that I introduce today, the Cayuga Indian Nation would receive an \$8 million trust fund and 5,481 acres of State and Federal land. In return, the Indians' claim to over 64,000 acres in Seneca and Cayuga Counties would be extinguished.

Throughout the negotiations to resolve this matter, it has been my position that no private landowner would be required to contribute land in order to settle this claim. This goal has been reached under the settlement, as no private land is to be transferred, and future land acquisition by the Cayugas would be on a willing buyer-willing seller basis.

Since negotiations to settle this issue began more than 3 years ago, everyone involved has sought to find a solution to this difficult and complex problem, one that would win the unanimous agreement of all the parties involved. Toward that end, I am proposing that two changes be made in the settlement agreement as it was forwarded to Congress by the administration.

The first provides that the recreational portion of Sampson State Park, transferred to the Cayugas under the settlement, would remain open after the 1989 date now provided. The second, the purchase of additional land by the Cayugas and held in "trust" by the Federal Government as provided for in the settlement, would be made subject to the Federal Payment in Lieu of Taxes Act. This is intended to meet the concerns of Seneca County residents about the potential impact on the county's tax base should the Indians purchase much additional land. Should this change be accepted, Federal payments would be made to reimburse, at least in part, the tax revenues the area would normally be expected to receive.

It is apparent that some persons who would be affected by the proposed settlement are opposed to it. That is their right. It is also apparent, however, that thousands of residents in both Seneca and Cayuga Counties are deeply concerned about the impact that litigating this claim would have on the area. These residents have a right also: The right to expect their elected representatives to strive to resolve this matter. President Carter, Governor Carey, the New York State Assembly, the Cayuga Tribe, and residents in the claim area, have all

asked that this legislation be introduced in the Senate.

In introducing this measure, I want to make clear that the door is left open to consider additional amendments that, if acceptable to the parties involved and to Congress, would achieve the unanimity that has been the ultimate objective of all the parties involved. It is my hope that Congress will consider this legislation at the earliest opportunity.●

By Mr. RANDOLPH (for himself, Mr. JAVITS, Mr. WILLIAMS, and Mr. STAFFORD):

S. 3223. A bill to amend the Higher Education Act of 1980, Public Law 96-374; to the Committee on Labor and Human Resources.

TECHNICAL AMENDMENT TO HIGHER EDUCATION ACT

● Mr. RANDOLPH. Mr. President, the legislation I am introducing today will make a technical change in the Education Act Amendments of 1980, Public Law 96-374.

This bill will correct an error in the new law, and honor a commitment we made to representatives of the different types of higher education institutions not to provide a greater benefit to any one type of student or institution at the expense of another.

As a result of our joint conference committee deliberations on title 4 of the act, with respect to the basic (or Pell) grants, and on the other campus-based student aid programs included in the title, it was believed that we had agreed to a mechanism for balanced growth of student aid benefits for students attending both public and private, independent colleges and universities.

Unfortunately, due to inadvertent drafting errors, the conference agreement did not accurately reflect our compromise on the percentage-of-cost allowance for Pell grants.

Mr. President, the history of our commitment goes back to August and September of 1979, at which time the representatives of the American Council on Education, the American Association of Community and Junior Colleges, the American Association of State Colleges and Universities, the National Association of State Universities and Land Grant Colleges, the National Association of Independent Colleges and Universities, the National Association of Student Financial Aid Administrators, and the various student organizations, sent a series of letters to subcommittee Chairmen FORD and PELL, committing their associations to a common position on the "half-cost" limitation of the basic educational opportunity grant program, now rightfully known as the Pell grant program.

The essence of the agreement among the higher education community was that staged increases in the Pell grant maximum award would trigger balancing increases both in the percentage-of-cost limitation and the floor funding levels for supplemental educational opportunity grants.

Changes in the percentage-of-cost limitation helped low-priced public in-

stitutions, and the SEOG changes helped higher priced institutions, especially private and independent colleges and universities. The various associations stood by the agreement throughout the entire process of reauthorizing the Higher Education Act, which President Carter signed into law on October 3, 1980.

During the long conferences on this legislation, the higher education community got together once again to develop a specific proposal to settle a number of student grant differences between the House and Senate bills, which proposal was based on the principles they had agreed on. During the joint conference, I offered an amendment intended to retain the percentage-of-cost limitation for Pell grants at 50 percent, which was current law, for fiscal year 1981 when, hopefully, the Pell grant would increase to \$1,900. My amendment would have allowed the half-cost limitation to rise to 55 percent in fiscal year 1982, or when the Pell grant maximum award increased to \$2,100. Subsequently, under my amendment, the percentage of cost would rise in 5-percent increments each year, reaching 70 percent in fiscal year 1985, when the Pell grant maximum reached the authorized level of \$2,600.

The retention of the percentage-of-cost limitation at 50 percent in fiscal year 1981, or academic year 1981-82, was to serve the private and independent school sector for at least 1 more year. The rise to 70 percent in fiscal 1985 would further serve junior and community, and other public colleges and institutions.

Our commitment to retaining the 50-percent, or half-cost limitation for 1 more year to accommodate the private, independent sector was based, for the most part, on the congressional budget office's indicators that once the percentage-of-cost limitation rose to 55 percent and beyond, at least 95 percent of additionally available Pell grant funds would go to the public school sector, with 51 percent of the increased funding going to the junior and community, or 2-year colleges alone.

The critical elements of the compromise agreement were that the percentage-of-cost limitation would not rise to 55 percent until the Pell grant maximum award reaches \$2,100, in trade for the limitation going to 70 percent at the last stage, or fiscal year 1985.

Unfortunately, Mr. President, this agreement was not reflected in the printed version of the conference report, or in the final legislation which was passed and signed into law on October 3, 1980.

I believe this inadvertent drafting error should be corrected now, rather than wait for an omnibus technical corrections bill in the next Congress. That is why I am introducing this technical correction bill today.

It is my understanding that representative WILLIAM FORD of Michigan, chairman of the House Subcommittee on Postsecondary Education, intends to introduce an identical technical amendment in the House of Representatives

during this interim session of the 96th Congress.●

By Mr. BAUCUS:

S. 3224. A bill to amend the Internal Revenue Code of 1954 to subject pension trusts to the tax imposed by section 511 on unrelated business income for income related to the sale or rental of farmland and grazing land; to the Committee on Finance.

THE FAMILY FARM PRESERVATION ACT

● Mr. BAUCUS. Mr. President, today I am introducing legislation designed to curb a serious and growing threat to the family farm. The Family Farm Preservation Act would prevent investments in agricultural land by pension funds.

THREATS TO FAMILY FARMS

The family farm has been the cornerstone of America's agricultural system since the first pioneers pushed west from the eastern seaboard. The family farm is based on the assumption that farmers and ranchers who own the land they work are the best stewards of America's richest natural resource.

This concept has resulted not only in a strong democratic tradition but also in the world's most productive agricultural system.

But, increasingly the family farm is being threatened by outside forces. The continued increase in the cost of producing food for this Nation and the world already has forced many family farmers out of business.

Now a new threat has appeared. In 1977 a bank and brokerage firm proposed the Ag-Land Fund that would funnel pension and other investment funds into purchases of farmland. This proposal fortunately died in the face of stiff opposition from Congress and national farm groups.

More recently, foreign investors have made substantial purchases of farm and ranch land. These investors have tax advantages that allow them to compete unfairly with American agricultural producers. Congress passed the Agricultural Foreign Investment Information Act and now several of us are discussing proposals to impose capital gains taxes on these investments.

Now the American Agricultural Investment Management Co. has been formed to acquire and manage agricultural properties for pension funds.

PENSION FUND INVESTMENTS

All of us recognize the importance of pension funds. They encourage a voluntary private retirement system and provided badly needed investment capital for U.S. industry. But while these investments are critical in this Nation's efforts to reindustrialize, they yield little if any benefits when made in agricultural land.

Pension funds are interested in purchases of farmland because in recent years it has been a more profitable investment than stocks and bonds. Experts predict that farmland price appreciation will continue, partly because of inflation and partly because of greater pressures on our food supply.

But because of their tax status, pension funds receive an added bonus for

their investments. Under present law, income to pension fund trusts is non-taxable and contributions to establish the trust are tax deductible. Tax only is paid when pension fund benefits are distributed to the plan's beneficiaries. At this point, of course, the beneficiary has benefited from the deferral of taxes for all the years his or her money was in a plan, plus he is able to pay taxes at the lower rate established for persons over age 65.

Thus, pension fund trusts can compete unfairly with family farmers. These funds control massive amounts of capital. If pension funds invested only 1.5 percent of their nearly \$600 billion in annual assets, they could buy up all the farmland that is normally available for public sale. Theoretically, pension funds have enough assets to purchase all the farms and ranches in the United States.

SENATE SMALL BUSINESS COMMITTEE HEARING

These questions were explored at an October 8, 1980, Senate Small Business Committee hearing which I chaired. The American Agricultural Investment Management Co. claims that its proposal to purchase farmland with pension funds will help young people enter agriculture by providing the capital needed to finance farmland.

But experts testifying at our hearing disagreed. They pointed out that there is no shortage of capital to buy farmland. Further, pension fund investments could radically inflate already spiraling land prices, making it even more difficult for existing farmers to expand their operations and for young people to get started in farming.

Pension funds, according to several witnesses, are likely to be less careful stewards of soil and water resources than family farmers and will not contribute nearly as much to local towns and communities.

Most important, however, concentration of control over our farmland by a few large investors would set the stage for control over the price of food. Family farmers who compete among themselves in a free market have provided abundant food supplies at relatively low prices. Reducing competition, by concentrating control of farmland in the hands of a few investors could be the most damaging aspect of this proposal.

Over the long term, Congress can only preserve family farmers through price and income policies that assure an adequate return for farm production and through tax, credit, and landownership policies that encourage producer control of farmland.

The Family Farm Preservation Act is an essential step toward insuring the future of family farmers. I realize that this late in the session there is little prospect for action on my bill. But I hope that my colleagues in the Senate and House of Representatives will study this bill closely. This legislation must be a priority in the next session of Congress, and I intend to reintroduce it when we reconvene in January.

Mr. President, pension fund invest-

CXXVI—1911—Part 23

ments are opposed by the U.S. Department of Agriculture, the American Farm Bureau Federation, the National Farmers Organization, the National Farmers Union, the American Agriculture Movement, and other groups.

At this time I ask unanimous consent to have printed in the RECORD several recent articles on pension fund investments in farmland and the text of the Family Farm Preservation Act.

There being no objection, the bill and the articles were ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.—This Act may be cited as "The Family Farm Preservation Act."

SEC. 2. APPLICATION OF UNRELATED BUSINESS INCOME TAX.—

(a) MODIFICATIONS TO INCOME.—Subsection (b) of section 512 of the Internal Revenue Code of 1954 (relating to modifications) is amended by adding at the end thereof the following new paragraph:

"(16) Notwithstanding paragraphs (3) and (5), in the case of a trust described in section 401 (a), or section 501 (c) (17), which is exempt from tax under section 501 (a)—

"(A) there shall be included in unrelated business taxable income gain from the sale or exchange of, and rents from, open land used for pasturage of livestock and farmland (as defined in section 1252 (a) (2)), and

"(B) deductions directly connected with such gain or rents shall be taken into account."

(b) UNRELATED TRADE OR BUSINESS.—Subsection (b) of section 513 of such Code (relating to special rule for trusts) is amended by adding at the end thereof the following new sentence: "In the case of a trust described in paragraph (2), the term includes the activity of purchasing, renting, and selling land described in section 512 (b) (16) (A)."

SEC. 3. EFFECTIVE DATE.—The amendments made by section 1 shall apply with respect to taxable years beginning after December 31, 1980.

[From the Washington Post, Oct. 11, 1980]

PENSION FUND INVESTMENT FARM PROPOSAL DENOUNCED (By Associated Press)

A proposal to encourage pension fund investment in U.S. farmland was denounced by a U.S. Agriculture Department official Wednesday as a scheme that could hurt both farmers and consumers.

"Pension fund speculation in farm real estate would benefit no one other than the promoters of such investment schemes," Susan Sechler, the department's deputy director of economics, testified.

The proposal was also opposed at a Senate Small Business Committee hearing by the National Farmer's Union and conservation groups.

Sen. Max Baucus (D-Mont.), who chaired the hearing, said he will introduce a bill against such investments if "necessary to insure that control of American agriculture stays in the hands of farmers."

The proposal was made by the American Agricultural Investment Management Co., Inc., which declined to testify but submitted a statement for the record.

The company said that it "supports the institution of the family farm" and that pension investment would provide the long-term capital "the expansion farmer and the beginning farmer need."

"The properties under our management are family manageable units operated by an individual farmer or farm family under a

tenant-farmer relationship," the statement said.

It said pension fund investments "will not have a material impact on farmland prices" because the price must remain low enough to attract investors.

But Sechler said the pension funds "could overwhelm both the national and the local farm land markets."

She said the pension funds had \$564.9 billion in assets in 1978, just 1½ percent of which could buy up all \$8.5 billion in farm land estimated to be on the open market.

[From the Great Falls Tribune, Oct. 9, 1980]

PENSION FUND FARM INVESTMENT DEcriED (By Kent Jenkins, Jr.)

WASHINGTON.—Buying farmland with the billions of dollars Americans save for retirement could "radically, irrevocably" change the country's network of family farms, an agriculture department official said here Wednesday.

A department economist and four family farm advocates told a Senate committee that pension funds, with their vast resources and tax advantages, threaten farmers trying to buy their own farms.

Sen. Max Baucus, D-Mont., who presided over the hearing, said he probably will introduce legislation next year to curb pension fund investments in farms.

Susan Sechler, the department's deputy director of economics, said large-scale pension fund investments in farmland would alter farming "by changing the ownership of its major asset—the land."

The Senate Small Business Committee heard testimony concerning a firm that wants to manage farms owned by pension funds. The American Agricultural Investment Management Co. of Bannockburn, Ill., is trying to convince pension fund managers to invest in farmland, according to its president, William S. P. Cotter.

The farm groups asked Baucus to introduce legislation that would bar pension funds from buying farmland or that would make farms unattractive investments.

"The possibilities include some kinds of changes in the tax code," Baucus said. "I'm hard-pressed to find any benefits (from pension investment). It's definitely detrimental to family farm ownership."

According to Sechler, farmland has become an attractive investment for pension funds because the land value increases faster than the rate of inflation.

The pension fund managers can pay more for the land than farmers who must pay from money they make through farming, she said. She also said farmers must pay taxes when they sell their land, but pension funds do not.

Because the tax-exempt status of pension funds allows them to make more money on farms, she said, they can afford to pay more for land. "The entry of even a small fund or other institutional investor can dramatically increase the asking prices in a local area," she said.

Some pension funds already have bought farmland, but USDA statistics show funds own very little of the total American land under cultivation. George W. Stone, president of the National Farmer's Union, testified that the potential for investment fund buying is huge.

"Theoretically, there will be more than enough assets in pension funds in the future to buy all the farmland in the nation," Stone said. "However, no one expects that to happen. But, even a small shift of pension fund money into farmland would be felt."

Baucus said officials of American Agricultural Investment Management declined to testify at the hearing. Cotter, the president, sent written testimony for the hearing record.

"Employee benefit funds that invest in farmland will be providing a service to the American farm economy," Cotter said. "It is well known that there is a great need for long-term capital in the agricultural economy."

"In our free enterprise system, the retirement savings of American workers is one of the best sources of this capital. We believe that legislation should not be passed that will prevent or discourage employee benefit funds from investing in farm land."

In 1976, an Illinois bank and a stock brokerage firm tried to form a business similar to American Agricultural Investment.

[From the CA Highlights, November 1980]
LATEST AAIM HEARING PROMPTS LEGISLATION PLANS

CA has entered testimony for another hearing relating to the activities of American Agricultural Investment Management Company, Inc. (AAIM), and it appears that the hearing may result in legislation designed to curb those and similar activities.

The latest hearing was conducted Oct. 8, by the Senate Small Business Committee. CA's testimony was similar to that which was presented Sept. 22 at a hearing conducted by the U.S. House Agriculture Committee's Subcommittee on Family Farms.

Like the earlier hearing, the recent one focused to a large extent on an investigation of AAIM's plans, which call for pension fund investments in U.S. farmland, and having the land rented to operators under the supervision of farm management companies.

CA's testimony called the plan "a threat to the family farm system," and most of the other witnesses expressed similar sentiments.

"Heavy investment in farmland will drive up land values, making it even more difficult for small farmers to expand their holdings or get into farming in the first place," said Rep. Bob Kastenmeier of Wisconsin. "Soil and water conservation will deteriorate as corporate farm managers seek to maximize short-term profits by cutting corners on conservation practices. Agricultural markets will be dominated by large, nonfarm corporations, and the family farmer will lose his place in American farming."

(Kastenmeier is currently sponsoring a bill, the Family Farm Antitrust Act, which would prohibit any person or corporation with non-farming business assets in excess of \$5 million from engaging in farm production. CA is actively supporting this legislation.)

Corey Rosen of the Senate Small Business Committee noted that many of those who testified favored an outright ban on pension fund investments in farmland.

In the wake of the hearing, Sen. Max Baucus of Montana is planning to introduce a bill which would require pension funds to pay capital gains taxes equal to other investors in connection with farmland investments.

The CA testimony stressed that "federal legislation must be enacted to discourage nonagricultural corporations, pension funds and farmland speculation."

Meanwhile, the General Accounting Office's investigation of AAIM, being done at the request of the House Agriculture Committee's Family Farm Subcommittee, is continuing, according to aide Steve Adams.

[From the Rural America, November 1980]
AT CONGRESSIONAL HEARING—NEW "AG LAND" TAKES A BEATING

Concluding that a controversial farmland-investment scheme of the American Agricultural Investment Management Co., Inc. (AAIM) poses "no benefits to American agriculture at all, pure and simple," Sen. Max Baucus (D-Mont.) announced Oct. 8 that he would introduce legislation to discourage the investment of pension funds in agriculture.

Baucus made his remarks, based on testimony presented by Rural America and other national farm and rural organizations as well as the U.S. Department of Agriculture (USDA), following oversight hearings he chaired on the AAIM venture before the Senate Small Business Committee.

AAIM, incorporated in February 1980 by three former executives to Chicago's Northern States Trust Co., plans to hire regional managers who will seek prime farmland throughout the U.S., negotiate with pension funds to purchase the land and select a local "operator" to farm it. Labor, equipment and related costs would be split evenly between AAIM and the operator, and the operator would receive half of the value of the crops raised on the land.

As was the case with a similar venture, the "Ag Land Fund" proposed in 1977 by Continental Illinois Bank, and the brokerage firm of Merrill Lynch, Pierce, Fenner and Smith, AAIM has been attacked because it would lead to greater absentee ownership of farmland, institute "a new generation of sharecroppers" and accelerate farm prices, squeezing would-be farmers with limited resources out of the market. The Ag Land Fund was killed before it could get off the ground by a combination of public pressure and uncertainties regarding its tax-exempt status.

On the recommendation of Susan Sechler, USDA deputy director of economics, policy analysis and budget, Baucus said he would introduce legislation to change the tax code so that income generated by pension funds invested in agriculture would be taxable. This would remove the major incentive to invest in farmland, since currently all income received by pension funds is tax exempt.

A legislative aide in Baucus' office told ruralamerica that the senator plans to introduce the legislation soon as Congress reconvenes after the election. If efforts to change the tax code fail, he added that Baucus would not hesitate to introduce a bill specifically prohibiting pension funds from investing in farmland.

Testifying on behalf of USDA, Sechler labeled the AAIM plan "a test case that has the potential for radically, irrevocably transforming American agriculture's structure and performance." She explained that farmers "would be competing with cash-paying investors whose interests are, understandably, more narrowly concerned with short-term profits."

Sechler also said that the Carter administration was strongly opposed to farmland-investment plans like AAIM.

Al Krebs, rural corporate accountability researcher with Rural America, urged the committee to enact legislation that would limit corporate ownership and control of agricultural land. "Absentee ownership and farm tenancy will continue to increase so long as wealthy individuals can engage in tax-loss farming to shelter non-farm income and so long as there is a greater profit in speculating in land than in farming it," he said.

Krebs also presented the committee with information he had uncovered on the principal officers of AAIM and on the three "farm management" firms AAIM has retained to date—Southern Farms and Investment Co. of Florida and Gentle Farms and Blackburn Farms of California. AAIM reportedly has not yet purchased any farmland for pension funds, however.

Cathy Lerza of the National Family Farm Coalition also condemned AAIM's plan, equating it with "robbing a bonafide farmer or potential new farmer of the opportunity to own land and to farm" because investors have substantially more money and could afford to pay higher prices for land than an individual farmer.

Other witnesses who appeared before the

committee—George Stone, president of the National Farmers Union, and Don Reeves, of the Inter Religious Task Force on Food Policy—were also critical of AAIM. No group spoke in favor of AAIM's venture. AAIM President William S. P. Cotter declined an invitation to testify.

ADDITIONAL COSPONSORS

S. 1411

At the request of Mr. RANDOLPH, his name was added as a cosponsor of S. 1411, a bill to improve the economy and efficiency of the Government and the private sector by improving Federal information management, and for other purposes.

S. 2111

At the request of Mr. TALMADGE, the Senator from Missouri (Mr. DANFORTH), the Senator from Kentucky (Mr. FORD), the Senator from Kentucky (Mr. HUBLESTON), the Senator from Alabama (Mr. STEWART), and the Senator from Nevada (Mr. CANNON) were added as cosponsors of S. 2111, a bill to incorporate the National Federation of Music Clubs.

SENATE RESOLUTION 500

At the request of Mr. DOLE, the Senator from Nebraska (Mr. ZORINSKY) was added as a cosponsor of Senate Resolution 500, a resolution to prevent U.S. funding of PLO activities.

AMENDMENTS SUBMITTED FOR PRINTING

TREASURY, POST OFFICE APPROPRIATIONS ACT, 1981

AMENDMENT NO. 2626

(Ordered to be printed and to lie on the table.)

Mr. BOSCHWITZ submitted an amendment intended to be proposed by him to the bill (H.R. 7583) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1981, and for other purposes.

● Mr. BOSCHWITZ. Mr. President, this amendment, which I hope to attach to the measure providing 1981 appropriations for the Treasury Department, is designed to help insure the continued existence of family farms. This amendment will prevent the Internal Revenue Service from implementing regulations contrary to the intent of legislation passed by Congress only 4 years ago.

Prior to 1976, farms, for estate tax purposes, were valued at the "prevailing market price"; that is, they were valued at the highest price for which they could be sold, which due to land speculation and the generally escalating price of farmland often bears no relation to its earning capacity. As a result, families of deceased farmers, faced with enormous estate tax bills incurred as a result of the "prevailing market price" valuation method, often were forced to sell the family farm to pay off the Federal Government.

Recognizing the vital role farmers play in our national economy and the need to retain existing cropland, Con-

gress in 1976 passed the "farm use valuation" provision, now known as section 2032A of the Internal Revenue Code. This provision allows farms, for estate tax purposes, to be valued on the basis of "productive farm capacity" rather than the "prevailing market price." However, the Internal Revenue Service has now issued regulations which negate the purpose of this section.

The Internal Revenue Service maintains that if a farmer cash rents his farm (for \$x per acre) prior to his death, use of the favorable valuation method will be denied that farmer's estate, even if the lessee is a member of his own family. Yet farmers who maintain an "equity interest" (a certain percentage of the crop as rent) are eligible for the "productive farm capacity" valuation. Cash-renting of family farms to a son or grandson is a common occurrence when an elderly person is unable to physically work the farm. In Minnesota, for example, well over half of all farms owned by individuals over age 65 fall in this category.

Denying the "productive farm capacity" valuation method where the deceased rented the farm to members of his own family is grossly unfair. My amendment will insure that the tax relief Congress intended when enacting section 2032A is available.

I urge my colleagues to support this amendment.●

ADDITIONAL STATEMENTS

NATIONAL EMERGENCIES ACT

● Mr. CHURCH. Mr. President, Friday marked the end of the second 6-month period after the President's declaration, on November 14, 1979, of a national emergency with respect to the situation in Iran. I bring this to the attention of my colleagues because of the responsibility imposed on the Congress by section 202(b) of the National Emergencies Act. That section requires that, "not later than 6 months after a national emergency is declared, and not later than the end of each 6-month period thereafter that such emergency continues, each House of Congress shall meet to consider a vote on a concurrent resolution to determine whether that emergency shall be terminated."

The purpose of this provision is to require the Congress on a periodic basis to consider the continued existence of an emergency, in a manner appropriate to the degree of interest and controversy. Pursuant to this provision, the Committee on Foreign Relations agreed on Friday to send a letter to the President informing him of its conclusion that a resolution to terminate this emergency is not warranted at this time. The committee sent a similar letter to the President on May 9, 1980.

I believe, Mr. President, that it is important to make the record clear that the Senate has again taken seriously its responsibility under this section of the act and has complied with the mandate imposed upon it. I ask that the commit-

tee's correspondence on this matter be printed in the RECORD.

The material follows:

COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C., November 14, 1980.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: On this anniversary of your declaration of a National Emergency to deal with the situation in Iran, it remains the continued hope of all that your efforts will soon be successful in ending the unlawful detention of Americans and the emergency which resulted.

As you are aware, in cases where a national emergency continues for this length of time, Congress is mandated to consider whether or not that emergency should be terminated. Section 202(b) of the National Emergencies Act states that "not later than the end of each six-month period [after] such emergency continues, each House of Congress shall meet to consider a vote on a concurrent resolution to determine whether that emergency shall be terminated." No Senator has introduced such a resolution.

The Committee on Foreign Relations, acting in satisfaction of the duty imposed by Section 202(b) of this Act, has considered whether or not the introduction of a concurrent resolution is warranted at this time. After due consideration of the question, the Committee has determined that, because the cause for declaring a national emergency with respect to the situation in Iran continues to this day, no reason exists for the introduction and the Senate debate of a resolution to terminate the emergency.

With best wishes,
Sincerely,

FRANK CHURCH,
Chairman.
JACOB K. JAVITS,
Ranking Minority Member.●

A FEDERAL CHARTER FOR THE ITALIAN-AMERICAN WAR VETERANS

● Mr. DOLE. Mr. President, today the Senate Judiciary Committee is holding hearings on legislation to provide a Federal charter for the Italian-American War Veterans (IAWV) of the United States.

CHARITABLE ACTIVITIES

The Italian-American War Veterans is a nonprofit service organization now incorporated in 10 States and active in several other States. IAWV was founded in 1932 and for the last 48 years, the organization has been involved in various charitable—and community—service activities. In assisting this Nation's hospitalized veterans, the IAWV is presently involved with more than 20 veterans hospitals. The group has consistently made donations to the needy and the handicapped. Last year alone, the IAWV donated approximately 7,500 hours of service in its hospital volunteer program. While IAWV draws most of its membership from individuals with an Italian-American heritage, it is open to any veteran regardless of race, religion, or national origin.

FEDERAL CHARTER

Since 1965 the IAWV has sought a Federal charter. The organization meets all of the requirements established by Congress pertaining to Federal charters. Federal recognition of the group's many years of voluntary service would grant new impetus to their activities and mem-

bership, which increasingly are of national scope.

FIFTIETH ANNIVERSARY

As a cosponsor of this important piece of legislation, the Senator from Kansas believes that as the IAWV approaches its 50th anniversary this is a particularly opportune moment for Congress to recognize the outstanding civic, educational, and charitable contributions of the IAWV by granting its longstanding request for a national charter.●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of a Senator or Senate employee who participated in a program, the principal objective of which was educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee on Ethics has received a request for a determination under rule 35 which permitted Senator JOSEPH R. BIDEN, JR., to participate in a program sponsored by a foreign educational organization, the Gesellschaft fuer Wehrkunde, in Munich, West Germany, from February 9-10, 1980.

The committee has determined that participation by Senator BIDEN in the program in Munich, West Germany, was in the interests of the Senate and the United States.

The Select Committee on Ethics has received a request for a determination under rule 35 which would permit Mr. Steven Roberts on the staff of the Senate Banking, Housing, and Urban Affairs Committee to visit Europe from October 18 to November 14, 1980, at the expense of the European community's visitor's program funded by the European Parliament and the Commission of the European Communities. It has been determined that the principal purpose of Mr. Roberts' trip is educational and that the trip is in the interests of the Senate and the United States.●

THE VICTIMS OF OPPRESSION

● Mr. BOSCHWITZ. Mr. President, it is indeed interesting that in the midst of the Madrid Review Conference (at which we are attempting to press the Soviet Union on its massive violations of human rights, in clear contravention of so-called "basket three" of the Helsinki Accords which Madrid is meant to follow up), the Soviet Union has arrested prominent Jewish dissident Viktor Brailovsky. The timing of this move, which would have been highly objectionable at any time, virtually makes a mockery of the whole Madrid Conference.

Having finally allowed an agenda for this conference which includes human rights issues, the Soviet Union is degrading the meetings by continuing the very type of abuse which makes necessary such a conference. The United

States and other Western Powers granted tangible concessions to the Soviet Union in terms of recognition of post-war Eastern Europe boundaries and expanded economic and scientific links. In exchange for these measures, which clearly favored the Soviet bloc, the West obtained concession in the realm of human rights. If we do not press such claims as those of Brailovsky, Andrei Sakharov, Anatoly Shcharansky and thousands of others in similar positions; if we fail to pursue implementation of promises made and signed by Leon Brezhnev on August 1, 1975, then we will have rendered meaningless the concession in baskets one and two.

We commend the U.S. delegates to Helsinki for having invoked the cases of Sakharov and Brailovsky, and hope the U.S.S.R. understands that we view these great men as but symbols of many thousands more who are being persecuted at this very moment. We will not be satisfied until all of the victims of this oppression are freed.●

PROPOSED ARMS SALES

● Mr. CHURCH. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of \$25 million or, in the case of major defense equipment as defined in the act, those in excess of \$7 million. Upon such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulated that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the Record at this point the notification which has been received. The classified annex referred to in the covering letter is available to Senators in the office of the Foreign Relations Committee, room S-116 in the Capitol.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., November 12, 1980.
HON. FRANK CHURCH,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 81-05 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Army's proposed Letter of Offer to a NATO organization for defense articles and services estimated to cost \$120 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Pursuant to subparagraph (C) (ii) of paragraph 3(d) (3) of the Arms Export Control Act, notice is also hereby given that future transfer of this equipment may occur between and among the NATO Hawk Production and Logistics Organization and its member nations, viz., Belgium, Denmark, France, Germany, Greece, and Italy.

Sincerely,

ERNEST GRAVES,
Defense Security Assistance Agency.

TRANSMITTAL NO. 81-05

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

- (i) Prospective Purchaser: NATO.
- (ii) Total estimated value: Major Defense Equipment* \$115 million; other \$5 million; total \$120 million.
- (iii) Description of Articles or Services Offered: Coproduction of up to 29 AN/TSG-73 air defense command and control systems (Missile Minder) to include technical assistance and postproduction support.
- (iv) Military Department: Army (UUE).
- (v) Sales Commission. Fee, etc. Paid, Offered or Agreed to be Paid: None.
- (vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See annex under separate cover.
- (vii) Section 28 Report: Case not included in Section 28 report.
- (viii) Date Report Delivered to Congress: November 12, 1980.●

PROTECTIONISM VI

● Mr. HEINZ. Mr. President, today I continue my submission of material examining trade restrictive measures used by Japan. This excerpt from "Law and Policy in International Business" reviews product approval procedures promulgated and established by Japan to test and certify imported products for compliance with national standards. Such procedures are import restrictive in theory as well as in practice.

Tracing the fate of U.S. small boat manufacturers who attempted to satisfy Japanese import safety standards the article determines that indefinite testing methods or performance criteria, lack of specific approval standards and the requirement that product approval tests be conducted in Japan all combined to cause unacceptable delays for a company introducing a new product into the Japanese economy. As the article explains:

A company introducing a new product must move quickly to establish its market share since its competitors can be expected to introduce a similar product quickly if it proves popular. Consequently, a long delay in obtaining product approval gives Japanese producers ample opportunity to introduce competitive products before the import can be sold.

As delineated in the article significant trade-restrictive impacts have resulted from the Japanese product approval standards and process. Mr. President, I ask that this excerpt be printed at this point in the Record.

The excerpt follows:

Unlike the customs procedures discussed above, Japanese product approval procedures are import-restrictive in theory as well as in practice. The applicable product approval standards, the methods by which such standards are promulgated and the procedures established to test and certify imported products for compliance with these standards all provide significant impediments to the importation into Japan of many U.S. goods. In the past, these product approval

*As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

requirements have created trade-restrictive impacts in a number of ways.

First, analysis by FTC staff, in response to problems raised by U.S. industry, indicates that Japanese product approval requirements generally are oriented toward design rather than toward performance characteristics. A U.S. product, for instance, may not be approved for import due to some minor difference in design, even though it may have better performance characteristics than the Japanese product. For example, U.S. businessmen contend that the individual strands in electrical cords manufactured to Japanese standards are slightly thinner than strands designed to U.S. standards. As a result, even though the two cords may be equally safe, the U.S. cord is barred from the Japanese market.

A lengthy, yet valuable illustration of this principle may be found in the fate of the U.S. small boat manufacturers who attempted to meet Japanese import safety standards. In general, Japanese safety standards for small boats are extremely detailed with respect to the physical characteristics which are the objectives of the design requirements. The regulations, however, provide for discretion on the part of the inspecting officer regarding the application or exclusion of certain standards for each vessel undergoing inspection.

Article 15 mandates the installation of certain watertight bulkheads in steel hulled boats in order to achieve buoyancy when compartments are flooded. Article 20 applies these requirements to fiberglass reinforced plastic (FRP) hulls. U.S. boat builders achieve supplementary flotation by using in void spaces (spaces not otherwise used within a boat hull) flotation tanks or materials such as styrofoam. Such techniques enable U.S. boats to meet the stringent flotation standards established by the U.S. Coast Guard for certain classes of boats, without using watertight bulkheads which deter free passage below decks and occupy considerable space within the limited hull area. Compliance with the watertight bulkhead requirement would necessitate radical redesigning of U.S. boats and would not necessarily improve their safety characteristics. While the regulations provide for exemption of boats from this structural requirement in cases where Japanese inspection officers determine that they have sufficient buoyancy, U.S. manufacturers who attempted to market their boats in Japan contend that Japanese inspection officers had not indicated a willingness to exempt U.S.-built boats.

Article 19 of the regulations states that FRP hulls must pass bending or drop tests. The regulation, however, does not set out specific testing methods or performance criteria. U.S. manufacturers report that, until a few years ago, the drop test consisted of dropping the boat, fully laden, from a height of 2.5 meters onto the water, then making a visual examination for damage. The purpose of this test is unclear. The regulation also provides that the bending and drop tests may be omitted at the inspection organization's discretion, upon consideration of such factors as the structure and manufacturing method of the boat. U.S. manufacturers contend that Japanese inspecting officers have not been willing to exempt U.S.-built boats.

One leading U.S. manufacturer and exporter of pleasure boats provided the Department of Commerce with files of its correspondence with its Japanese distributor during the years 1972, 1973 and 1974, which recorded the exporter's efforts to establish itself in the Japanese market. The correspondence documents the firm's efforts for over a year, during which time a massive amount of material outlining the specifications of the boats was provided to meet the requirements of the Japanese Ministry of Transportation.

The company forwarded samples of resins, screws, laminates, lay-up schedules, and detailed blueprints for all their models. The company estimates that it invested literally hundreds of hours of engineering time in order to meet Japanese requirements. In addition, class certification by Lloyds Surveyors was obtained for each boat exported to Japan. In 1973, the company shipped to Japan boats valued at over \$200,000; a Japanese distributor aggressively marketed these products in major Japanese boat shows and carried out an extensive advertising campaign.

The file records the difficulty encountered by the U.S. firm and its agent in attempting to obtain information on the specific standards and inspection procedures to be applied to U.S.-manufactured boats following the establishment in 1974 of the Small Boat Inspection Organization. The Inspection Organization indicated that each model would be required to undergo all prescribed tests and to meet all mandated design requirements in order to obtain certification. The agent stated that this would require extensive modification of the hull and other structures, and that a great amount of the fittings, lifesaving equipment, navigation lights and other installed equipment would have to be removed and replaced with "officially recommended" equipment of Japanese manufacture. As a result of the basic structural modifications that would be required to render the boats acceptable to Japanese inspectors—the need to replace fittings and other gear, the need to obtain a Lloyds survey for each boat exported, and other problems and costs (which appeared extraordinary in comparison with those incurred in other major international markets)—the firm reluctantly terminated its efforts to establish itself in the Japanese market. Recently, however, progress has been made on this issue. As a result of representations made to the Ministry of Transport, the Ministry agreed to meet with industry representatives to discuss the technical issues in this complaint.

The remaining trade-restrictive impacts result from the product approval procedures themselves. Among the problem areas indicated to date by TFC cases are: (1) delay due to lack of sufficient notice; (2) participation by Japanese but not foreign manufacturers during the promulgation of standards; (3) the requirement that approval be obtained through a resident company; (4) the necessary release by U.S. firms of proprietary information; and (5) perhaps most importantly, the general mandate that all testing and approval occur in Japan.

A principal area of difficulty is the inevitable delay caused by meeting Japanese product approval standards. The ability to get a new product on the market quickly can be critical in marketing consumer appliances. The products often do not involve new technology such as microwave ovens, but instead are innovations on existing goods, e.g., electric grills, electric toothbrushes or small-size doughnut makers. A company introducing such a new product must move quickly to establish its market share since its competitors can be expected to introduce a similar product quickly if it proves popular. Consequently, a long delay in obtaining product approval gives Japanese producers ample opportunity to introduce competitive products before the import can be sold.

One factor that contributes to delay (and to common complaint among importers) is that foreign manufacturers seldom receive sufficient notice of new testing standards. Standard-setting deliberations are apparently open to Japanese but not foreign manufacturers. Thus, foreign suppliers often learn about changes in standards only after they have been published, allowing insufficient time to adjust production.

One U.S. manufacturer of vaporizers was confronted with this problem when he dis-

covered a new standard that required vaporizers to be designed to tilt 60 degrees before water leaked from the top. The U.S. vaporizers were built with a low profile so that they could not accidentally be tipped over. Since the company faced the potential loss of its Japanese market, which had expanded rapidly during the preceding two years, the president of the company asked for assistance from the U.S. Embassy in Tokyo. He was willing to redesign his product, but it would take six months, during which time the company could lose its customers to Japanese competitors. In this case, the Japanese government official responsible for administering the standard granted the firm a one-year grace period to redesign its product, with permission to import the existing model in the interim.

To some U.S. businesses it appears that these ever-shifting standards exist solely to frustrate import competitors; in some cases such a conclusion might not be entirely unwarranted. Domestic manufacturers, through industry advisory groups, participate in setting new standards or revising existing standards. Consequently, there is an opportunity for Japanese industry to suggest standards that might give domestic manufacturers a competitive edge over foreign suppliers. In some cases, the delay resulting from the promulgation of such standards may be sufficient to exclude entirely the U.S. manufacturer from the Japanese market. In 1973-74, for example, a U.S. manufacturer introduced into Japan tabletop electric griddles, selling 6,000 units the first year. By the second year, however, the Japanese set the standard for allowable heat (to the touch) for the electrical controls of such griddles at two degrees centigrade below the capability of the imported appliances. This change effectively shut the U.S. company out of the Japanese market. By the time the company found a Japanese supplier for the controls and attempted to reenter Japan in 1978, the market had reached a saturation level of two million units, most of which were made in Japan.

Another problem concerning import approval procedures is the requirement that an approval application must be made through a "resident" company. One peculiar effect of this rule is that a U.S. company may not change agents in Japan without reapplying for product approval unless the first agent is willing to transfer the original approval to the new agent. In addition, the approval process often requires the submission of proprietary information about the product. Clearly, an import agent who receives such information for transmittal to the approving agency is in a position to use this knowledge to develop a competitive product.

Probably the single most significant source of difficulty in the product approval area is the general requirement that product approval tests be performed in Japan. The Japanese generally have not been willing to accept the results of tests conducted outside of Japan, even when performed according to Japanese specification. This need to replicate tests in Japan adds to the cost of imported goods and results in considerable time delays, often a year or longer, thus giving Japanese firms an opportunity to develop competitive products. As a consequence of the delay in gaining product approval, it is not uncommon for a U.S. firm, part way through the product approval process, to make relatively minor changes in the product's design. Such changes require beginning the process all over again. Even minor alterations in product design require retesting of the product. This Japanese practice raises the fundamental issue of reciprocity. It is generally the U.S. practice to accept foreign test data provided such testing is in accordance with appropriate U.S. standards and test procedures.

It should be noted that it is somewhat risky to overgeneralize about Japan's product testing requirements, which vary considerably depending on the product or industry involved. Moreover, there are several exceptions to what seems to be the general requirement that all product approval tests be performed in Japan. For instance the medical test and equipment approval procedures under the Japanese Ministry of Health and Welfare (MHW) generally do not provide for the acceptance of foreign test results. In similar fashion, electrical appliance approval procedures under the Japanese Ministry of International Trade and Industry (MITI) fail to allow for authorized testing in foreign laboratories. On the other hand, the Japanese Ministry of Transport (MOT) accepts tests conducted outside Japan when witnessed by an MOT inspector (ships and automobiles) or when such tests establish that the product conforms to foreign standards accepted as equivalent to Japanese standards (automobiles only).

Further evidence that product approval procedures vary by agency and product area is found in a background paper prepared by the TFC staff. This paper describes generally the relevant Japanese and U.S. practices regarding not only testing procedures but also other product approval problems. [Portions of this paper are reproduced in an appendix.]

Two cases brought before the TFC illustrate the trade-restrictive effect of the Japanese government's refusal to accept amply documented foreign health tests. The first case, raised before the TFC in January 1978, denied market access to a hepatitis blood test widely recognized to be one of the most advanced and effective on the market. The test, invented and produced by a U.S. company, received U.S. Federal Drug Administration (FDA) approval in 1972, and is currently used by Red Cross organizations in the United States, Canada and several European countries. The company initially applied for approval from the Japanese Ministry of Health and Welfare in 1974 pursuant to the requirements of the Pharmaceutical Affairs Law (PAL). The company was asked to resubmit its application in 1976 following modifications in the testing procedure. Although MHW, under a "grandfather clause," permitted the sale of the test as a "charged clinical" to hospitals and diagnostic clinics, the company nevertheless sought approval under the PAL so that the product would be eligible for reimbursement under Japan's National Health Insurance Program.

In a separate action, the company asked MHW to authorize the Japan Red Cross (JRC), a quasi-government agency, to use the test in its blood bank program. The company told TFC officials that it was informed by the Ministry that the test was considered to be of doubtful effectiveness in detecting the peculiar and dominant Japanese subtype of hepatitis B, "adr", and that it would take an "expert group" one year to reach a conclusion on whether the product should be approved. The MHW response to the company also stated that the JRC had adopted another test in April 1976 and implied that there were no plans to change the test currently used. Further, JRC had not formally requested permission to use the test.

Subsequent information supplied by the company tended to show that: (1) the company and the JRC conducted extensive clinical testing of the product in the Japanese population, demonstrating its effectiveness in detecting the Japanese subtype of hepatitis B, "adr"; (2) the product is significantly more sensitive than the tests currently used by the JRC; and (3) no justification existed for another year's delay since a full body of empirical data on the test's safety and efficacy had been available from FDA and other U.S. sources for many years. The company

also claimed that it had been working with a member of the JRC technical staff who had informally requested, without success, that MHW approve the test for Red Cross use in Japan's blood donor program.

The U.S. side of the TFC resubmitted this case in mid-May of 1976, asking for (1) expedited MHW approval of the product under the Pharmaceutical Affairs Law; and (2) authorization for the JRC to purchase the test for screening blood donors. Final approval for the test was granted in June 1979, and MHW indicated that the test would be qualified for reimbursement approval under the National Health Insurance Program. However, it was stated that the JRC would have to make its own determination as to the efficacy of the procedure and whether it would request budgeting to use the test.

The second case was raised in the TFC in March 1979 on behalf of the Animal Health Institute. The Government of Japan controls the purchase, sale and distribution of certain categories of veterinary medicines. These controls include the imposition of import quotas, as well as requirements for testing and approval under the provisions of Japan's Pharmaceutical Affairs Law. The administration of the quota system, along with the lengthy and duplicative testing procedure under the PAL, has the effect of restricting access by U.S. manufacturers to the Japanese market.

Japan also established, under the general exceptions provisions of the General Agreement on Tariffs and Trade (GATT), quotas for the importation of certain microbial vaccines and antisera which apply to veterinary products. These quotas are administered by the Ministry of Agriculture, Forestry and Fisheries (MAFF). Letters written to and by U.S. manufacturers and their Japanese representatives who have attempted to introduce into the Japanese market vaccines falling under these quota provisions suggest that the quotas are administered in a manner that prohibits imports when there is "sufficient" domestic production of the product in Japan.

A U.S. manufacturer that attempted to introduce in Japan its Marek's disease vaccine for poultry was informed by its Japanese agent that the Japanese government did "not want . . . new importers or dealers in this field" since the supply exceeded demand. Another U.S. manufacturer that attempted to market in Japan its vaccine for Atrophic Rhinitis (AR) in swine was informed in a letter from a senior MAFF official that "AR vaccine is classified as [a] nonliberalized item" requiring an import quota and approval under the PAL. The letter further stated that "[a]t present sufficient amount of AR vaccines are produced and on sale domestically. So I regret that there is no possibility of importation of this kind of vaccine."

On the other hand, in instances where there is no comparable local product, importers might be authorized anywhere from 60-80 percent of their request. In other

words, the quota level appears to vary according to availability of domestic supply.

Progress is being made regarding some important approval procedures, although to date the Japanese have yet to accept foreign test data to the desirable degree. An illustration of Japanese willingness to compromise may be found in the household electrical appliance field. Japan's Electrical Appliance Control Act regulates the manufacture and sale of all (including household) electrical appliances. Household electrical appliances generally fall into "Category A", i.e., those which, prior to sale in Japan, must be tested independently for compliance with Japanese standards. Until 1979, the Japanese administration of this law under the Ministry of International Trade and Industry required that all testing applications for foreign "Category A" electrical appliances be made by importers rather than by foreign manufacturers, and that all test data be generated in Japan in designated Japanese testing laboratories, primarily the Japan Electrical Testing Laboratory (JET).

In late 1977 and early 1978, an electrical appliances subcommittee of the Tokyo Trade Study Group concluded that the major barrier to increased exportation of U.S. electrical appliances to Japan was the testing and approval procedure. This procedure, which operated without provision for either direct access to JET by U.S. manufacturers or acceptance of U.S. test data, was resulting in costly delays of up to a year for the introduction of U.S. products into the Japanese market. The TSG report noted a number of additional specific problems with the Japanese approval procedure and standards, including the lack of an appeals process and of sufficient advance notification of standards changes, and the dominance of individual "judgmental factors."

The Japanese procedures as applied to U.S. exports to Japan contrast sharply with U.S. procedures for the testing and certification of Japanese electrical products exported to the United States. Japanese firms obtain approvals from Underwriters Laboratories (UL) in usually less than four months. Moreover, approval is often based on direct application to UL, and UL acceptance both of Japanese manufacturers' test data and of tests conducted by appointed UL representatives in hundreds of laboratories in Japan.

In November 1978, MITI responded to the TSG recommendations by allowing U.S. manufacturers to obtain approval by dealing directly with the Japanese testing facilities, rather than by acting through a Japanese agent. MITI also provided for U.S. representation on the Japan Electrical Association (JEA) committees that formulate and revise standards—a process which hitherto had been closed to foreign companies, and thus had allowed Japanese manufacturers a greater lead time than foreign competitors to anticipate and prepare for new standards. Finally, MITI began to prepare an official translation into English of all the Japanese electrical standards. In May 1979, a U.S. government-industry team held discussions with MITI in Tokyo to clarify the

new Japanese procedures and to indicate the need for continuing progress toward the ultimate goal of reciprocity.

These measures represent meaningful progress in revising product approved procedures in the area of electrical standards. U.S. firms that do not have a representative office in Japan and market in Japan through a local import agent or distributor, however, will still need the services of a local representative to deal with the approving agency and the testing laboratory. The solution sought by U.S. industry, therefore, is Japanese acceptance of UL standards where they are equivalent to those required in Japan, or acceptance of tests conducted in the U.S. that conform to Japanese standards.

Cases submitted to the TFC thus demonstrate that significant trade-restrictive impacts result from the Japanese product approval standards and process. These barriers stem both from the design-oriented nature of the standards and from specific procedural requirements of the approved process. Furthermore, it is likely that similar difficulties exist in industries other than those identified by the particular TFC cases brought thus far. As in the area of customs procedures, it would be far more helpful for Japan to reevaluate and revamp product approved standards and procedures as a whole rather than to wait for individual complaints to be brought before the TFC. ●

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, are there orders for the recognition of Senators on tomorrow?

The PRESIDING OFFICER. There are none.

Mr. ROBERT C. BYRD. Does the convening order provide for a 10 o'clock meeting tomorrow?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

DEFENSE APPROPRIATIONS BILL

Mr. ROBERT C. BYRD. Mr. President, the Senate will take up the Defense appropriations bill tomorrow, and I anticipate several amendments thereto with rollcall votes.

RECESS UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. If there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until 10 o'clock tomorrow morning.

The motion was agreed to; and at 6:05 p.m. the Senate recessed until Friday, November 21, 1980, at 10 a.m.